

**EduFactory** webjournal

zero issue

# The Double Crisis

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# Intro

## The double crisis: living on the borders

### The Edu-factory collective

**EDU-FACTORY** IS A TRANSNATIONAL COLLECTIVE ENGAGED WITH THE TRANSFORMATIONS OF THE GLOBAL UNIVERSITY AND CONFLICTS IN KNOWLEDGE PRODUCTION. THE WEBSITE OF THE GLOBAL NETWORK ([WWW.EDU-FACTORY.ORG](http://www.edu-factory.org) <[HTTP://WWW.EDU-FACTORY.ORG/](http://www.edu-factory.org/)>) COLLECTS AND CONNECTS THEORETICAL INVESTIGATIONS AND REPORTS FROM UNIVERSITY STRUGGLES. THE NETWORK HAS ORGANISED MEETINGS ALL AROUND THE WORLD, PAYING PARTICULAR ATTENTION TO THE INTERTWINING OF STUDENT AND FACULTY STRUGGLES. MEMBERS OF THE EDU-FACTORY COLLECTIVE ARE: MORGAN ADAMSON, MARCO BARAVALLE, PEDRO BARBOSA MENDES, CLAUDIA BERNARDI, ENDA BROPHY, ANNA CURCIO, PAOLO DO, LUDOVICA FALES,

The old institutions are crumbling--from central banks to political parties, from museums to newspapers, from broadcast television to schools. Caught between the continual rollout of crises and the encroachment of networks on their borders, they struggle to cope. Most are trying to brand their way out of their dead ends. Some will doubtless survive, but the majority will become unrecognisable in the process. In any case, radical politics can no longer be committed to the long march through these institutions.

Needless to say, universities are undergoing a period of turbulence, too. 'As once was the factory, so now is the university'--the edu-factory project began with this plain and apparently unproblematic statement--not to affirm, but to interrogate it. The university does not at all function like a factory. While we are proud of the factory and university struggles of the past we cannot afford to be content with simply being nostalgic for them. 'As once was the factory, so now is the university'--this statement is therefore an indication of a political problem. If we begin with the incommensurable differences between the actual functions of the university and those of the factory, what are the political stakes of putting them into relation? If the factory was once the locus of struggle under Fordist capitalism, what is the site of political contestation under present conditions? How can the problem of organisation be rethought in the aftermath of the decline of its traditional forms, such as the union and the political party?

The edu-factory web-journal extends the previous efforts of the edu-factory network to find answers to these questions. We know that this problem concerns prognosis more than diagnosis, and its urgency is only deepened by the current global economic crisis. Within edu-factory, we refer to this state of affairs as the *double crisis*. On the one hand, this involves an acceleration of the crisis specific to the university, the inevitable result of its outdated disciplinary divisions and eroded epistemological status. On the other hand, it is the crisis of

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 TES DE SUEÑOS, 2010).*

postfordist conditions of labor and value, many of which are circuted through the university.

Situated on the borders of this double crisis, the edu-factory web-journal will be devoted to analysing how the university works--the 'occupations' that it enforces and those that it incites as well as the 'anomalies' that take exception to its homogenising translations. In this way, the journal seeks to derive ideas and practices for a new organisation of knowledge production, one that is entirely within the purview of social cooperation and its collective control. This is what we call the construction of an *autonomous institution*, which is possible through the invention of the *university of the common*, in other words university of the common can become so only by becoming autonomous.

## OCCUPATIONS

Four central points inform the zero issue.

First, the double crisis is global. To say this is not to imply the existence of a homogenous global space, or the construction of a flat world. Rather, it signals a global scenario of change, characterised by different forms of declination and / or *translation into particular regional contexts*. In fact, there is a great deal of differentiation within the heterogeneous space-time of the double crisis. This differentiation reveals the process of hierarchisation operating within the planetary education market. Old coordinates no longer suffice in its analysis, however, as this process of hierarchisation no longer follows the classical lines of division between centre and periphery. Consider the emergent roles taken on by China or India, and their higher education systems. The changing geopolitics of higher education is tightly linked to the disequilibrium between the debt deficit of the Western countries and the saving surplus of the so-called 'emergent countries'. The U.S. has had to come to terms with its Asian creditors. In order to trace the genealogy of the contemporary crisis, it is necessary to move outside the 'West'. As Miguel Carmona and Nicolàs Slachevsky rightly remind us, Chile was one of the first laboratories for the Chicago Boys. And as George Caffentiz points out, Africa's double crisis began in the 1980s. That decade saw the World Bank become a kind of 'Knowledge Bank', making loans to African universities in the hope of priming a knowledge economy that was out of step with the continent's position in the international division of labour. While universities across the world now face varying degrees of economic instability, debt, in its many forms, has been the central source of the contemporary crisis.

Secondly, we define the current crisis as an economic crisis, not only a financial one. Far from making the old distinction between the real and the financial economy, following the collective theses developed by Uninomade, we can say that finance is precisely the real form of the economy, when knowledge becomes both the central source and means of production. There is no outside to financialisation, because it represents the perverse form and the capture of what it is produced in common. Rating agencies such as Moody's and Standard and Poor's are evermore important actors in the formation of the hierarchy of the global education market.

In this context, and this is the third point, management strategy spans and in a certain way dissolves the dialectic between public and private. As Marc Bousquet's article emphasises, education leaders don't demand a 'bailout' or a 'New Deal' for universities. On the contrary, they impose austerity and control on the academic workforce--that is, students, faculty and precarious employees. These leaders seek to maintain and reproduce their positions based on the rent and 'capture' of living knowledge. The university is not only a part of, but also a paradigmatic site for the double crisis. More precisely, as Bousquet also observes, it is a leading 'innovator' in the production and engineering of the lousy forms of employment that have gutted the global economy. It is a laboratory for the 'capture' of value, or what it refers to as 'human, social and cultural capital'. Therefore, its current situation provides a good standpoint from which to analyse the contemporary global crisis and the new conflicts and struggles that have emerged with its unfolding. Chris Newfield analyses the 'logic of cuts that contradicts the knowledge economy's apparent requirement of a *mass* middle-class, a society that has a majority of college graduates and of knowledge workers', highlighting the changing terms of the contradiction between productive forces and relations of production. In other words, Newfield examines the processes of hierarchisation in the labour market and of differential inclusion in the education market. Extrapolating from his analysis, we can venture to suggest that today the labour market is immediately an education market, and vice versa.

Finally, the double crisis is not a stage or phase of the capitalist cycle: it has become permanent. Contrary to the proclamations of governments, global elites, and think tanks, the crisis isn't over. The growth of precarisation, unemployment and poverty, the decrease of salaries, the funding cuts to university departments all demonstrate that the crisis is ongoing. When the bubble becomes the contemporary form of economy, crisis becomes a new form and technique of governance. In other words, the problem for rulers, from those operating in the university to those active in the broader society beyond it, is that of continuous adaptation to a permanent crisis.

This double crisis is also manifest through the insurgent knowledges that still are produced or find place in the existing university set up, yet which the university as an institution finds extremely difficult to identify with, use, or contain. This is fundamentally a post-colonial scenario, where the past and the present of the university are caught up in an impossible paradox. In this post-colonial set up the managers of capital may like to do away with mass education, but popular democratic politics simply do not allow the gate crushers to the university to melt away. This makes the double crisis even more acute.

To the double crisis there also corresponds a double fantasy of exit. On the one hand, there is a reactionary idea: that is, to rebuild the ivory tower, with its separation between production on

the one hand and the 'fortress of knowledge' on the other. Not only is this separation impossible, but more importantly it works against the reality of contemporary cooperation and the subjective desires of living labour. It is the dystopia of academic elites, which seek to reproduce their rentier position. On the other hand, there is a liberal fantasy: to make the university--or 'metroiversity', to use the category proposed by Stefano Harney--the engine of a new economic cycle. Knowledge, in this fantasy, is understood not only as the basis of the contemporary economy, but also as a positive and 'neutral' aspect of cognitive capital. Yet the university remains the most anomalous institution. Neither can capital eat it up, nor can it vomit it away.

All of the articles in this zero issue illustrate a double opposition. They reject nostalgia for the university before it ended up 'in ruins'. And they oppose the vision of the university as a cognitive factory of accumulation and exploitation. Edu-factory is not interested in rescuing the corporate university. As Jon Solomon points out, innovation is not a form of value-added, but the expression of the *common*. In this decisive transition, a new role for the university is only possible through social cooperation and conflicts. This means turning the university from a place *occupied* by capital to one occupied by the bodies of living labour.

## A N O M A L I E S

Far from approaching the crisis as a dialectical synthesis of danger and opportunity, edu-factory points to the profound ambivalence and uncertainty marking the contemporary moment of global transition. We have to be careful not only about the spirit in which we appropriate the term crisis but also attentive to the multiple agendas that the term has been made to meet. These range from a revolutionary desire for crisis, as if it promises an insurrectionary moment more than reactionary tendencies, to governmental logics that posit crisis as a means for justifying actions that might otherwise be difficult to carry out. On the one hand, it is necessary to ask what the declaration of a crisis conceals, modifies or amplifies of the underlying conditions to which it seeks to draw attention. On the other hand, there is a need to interrogate the multiplication of crises, if not their constancy as a mode of motivating and justifying governmental interventions in the present order of people and things. The writings collected in this zero issue point to perilous futures: the drop in the quality of living conditions of millions and millions of people around the world, the decomposition of labour, and the so called war among the poor. At the same time, they point to the possibility of radical change. The crisis has created a sort of social battlefield upon which these poles of experience take their uncertain shape.

This zero issue is coming into an already moving world. This world is marked by the ambivalence of the double crisis. More than this, it is a world of global struggles and movements within the double crisis. Just to quote some powerful and recent examples: the graduate student struggles in Canada and the U.S., the occupations in the University of California, as well as in Austria, Germany, Switzerland, and Croatia; the student claims for freedom in Teheran, or the conflicts for academic freedom in Africa. There are many others. All are against budget cuts, the dismantling and marketisation of education systems, the 'precarisation' of labour, the introduction of new systems of measure by means of audit cultures, and so on. But they also highlight emergent claims for new models of education and practices of self-managed knowledge production.

Therefore, the current struggles and conflicts in the 'global university', as well as the various experiments in 'auto-education', are not only the description of potentially transformative lines of exit, out of the crisis. They also provide the lineaments of a method. They are squatting the crisis, to use the effective words of Lina Dokuzović and Eduard Freudmann. We propose to read the heterogeneous global space-time of the double crisis beginning with its anomalies. From this standpoint, Claudia Bernardi and Andrea Ghelfi analyse the development of the 'Anomalous Wave' movement in Italy, framing it in the European context of the Bologna Process and explaining its main slogan: 'we won't pay for your crisis!' Similarly, Carmona and Slachevsky show how practices of conflict exhibit the contradictions at work in the neoliberal model of university. Perhaps we should say the contemporary crisis marks the modulation of neoliberalism. This does not mean that the effects of neoliberal politics are over, but rather that they are undergoing deep transformation and that their capacity to form a system can no longer be assumed. As Caffentzis highlights, the role of African students in gaining access to university education is part of the genealogy of the contemporary crisis. The appropriation of the 'global knowledge deal' by these subjects transforms it into a source for radical transformation, just as the 'enlightenment discourse' discovered by the French revolutionary bourgeoisie became incendiary in the hands of those for whom it was not meant, such as the Haitian slaves after 1789.

As global space-time is heterogeneous, struggles take different forms in different contexts. The problem is not to find a universal form or means of communication among them: on the contrary, the question is their *composition*. This has nothing to do with the exportation of a model, or communication among homogeneous subjects: it is immediately the question of *translation*, to recall the analysis provided by Solomon. Everyday capital must translate the production of the common into the language of accumulation, taking the 'heterogeneous and full time' of the movement and cooperation of living knowledge and turning it into the 'homogenous and empty time' of the capture of value. This is *homolingual translation*; global English is the homolingual idiom of the corporate university. But there is no place for utopian (or dystopian) ideas of 'outsides' or happy islands: the ghettos are definitely compatible with the system of governance. The global university is our battlefield: it is the space-time axis for experimentation in the ordinary event of *heterolingual translation*. Pitted against the multiple technologies of border management, security and identity that make the university into a key site for the management of global populations, we explore the struggles among its knowledgeable bodies and their possible composition in a common process.

The double crisis also marks the crisis of the traditional organisation of the knowledge and its borders--i.e. the disciplines. The articles collected in this zero issue also highlight emergent claims for new educational models and practices of self-managed knowledge production. The crisis has exposed the limits of traditional disciplines to conduct a reading of contemporaneity. Last spring various mainstream economists signed a document entitled *The Financial Crisis and the Systematic Failure of Academic Economics*. In this text they assert that the discipline of economics was not only unable to foresee the incipient crisis but also partly responsible for it. The discourse of other disciplines is not much different. Meanwhile, interdisciplinarity, which is everywhere proclaimed in rhetoric but so rarely practiced in fact, promises little change in the organisation of knowledge. The disciplines, which in many jurisdictions are now assigned codes and statistically subdivided in order to register in audit and so-called quality exercises, are more and more

the bare shells of hierarchisation and measure. To be succinct: the organisation of knowledge becomes a central battlefield, within rather than the outside of power and productive relationships. In contrast to this, Pedro Barbosa Mendes describes the experiments with a new university model in Brazil, based on the practices of social movements. This experimentation could indicate a possible form of conflict and constituent power within the crisis of contemporary forms of governance.

In conclusion, if the double crisis is a permanent condition, we cannot use the old schemas to read it. We need new lenses to understand the patterns of occupation in the global university. And we need new, anomalous tools to escape from its borders. These tools are already discernible in the anomalous waves, in the motions of the body called the university. It is in this strange co-existence of the reality and the possibility that we find the post-colonial predicament of knowledge shows the lines of its resolution.

# The structure and silence of cognitariat\*

**Christopher Newfield**

Many Americans assume that because business and political leaders agree that the U.S. is a 'knowledge economy', they therefore support an increase in knowledge production and support the university systems that perform the majority of this basic research in the U.S. and other wealthy countries. The reality is something quite different. American leaders are preoccupied with reducing public expenditures on higher education and with lowering the cost of each degree produced. They are containing and cheapening the research and educational systems on which they say the future of their economies depend. This raises the core question I'll discuss here: why would wealthy societies cut back on the sources of high-tech knowledge when they believe their future lies with high-value, high-tech industries? Isn't this contradictory, and also fairly dumb?

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Well yes: some of it is ordinary human myopia and selfishness. Some of it is the result of the artificially created general hostility towards universities and towards the politically independent and racially diverse middle-classes that had been produced by public universities after World War II.<sup>1</sup> Some of it is the result of a business reflex in the United States, which is to address all revenue issues with downsizing and layoffs.<sup>2</sup>

But looking at this basic reflex only deepens the sense of contradiction. Mainstream experts estimate sustainable 'efficiencies' to amount to perhaps 3% savings a year for the first few years, not the 5%, 10%, or 20% cuts being imposed by state governments. They also agree the real crisis in American higher education is that it is producing perhaps half as many college degrees as it needs, not that it is spending too much money.<sup>3</sup> What, then, is the logic of cuts that contradicts the knowledge economy's apparent requirement of a *mass* middle-class, a society that has a majority of college graduates and of knowledge workers?

The contradiction exists only if we assume that today's leaders of the knowledge economy actually seek a mass middle class, desire high standards of living for the vast majority of their population, and believe that the knowledge economy needs armies of college graduates. If instead, we posit that the political and business leaders of the knowledge economy seek a smaller elite of knowledge-based star producers, then the unceasing cheapening of public higher education in the U.S. and elsewhere makes more sense.

Many authors have pointed out over the years that knowledge capitalism obligates firms to seek rents and a monopoly position in their markets.<sup>4</sup> Clear support for this thesis comes from the oligarchic structure of the information technology and biotechnology industries in the U.S. and elsewhere. A companion thesis has been that there is a fundamental contradiction between capitalism and the knowledge economy, clearly described by André Gorz, since knowledge is abundant and capitalism artificially forces its scarcity.<sup>5</sup> In fact, the U.S. experience suggests that this contradiction is productive of the system of cognitive capitalism in Foucault's sense of a productive contradiction: the appropriation of abundant knowledge, the privatisation of public and socially-created goods, that is, the famous 'enclosure of the knowledge commons' is the set of operations that cognitive capitalism exists to perform, with full knowledge that it is forcing knowledge out of its creative collective habitat.

In this article I will look at several aspects of this process. One is a systematic stratification within knowledge workers as a class or group. The second is the development of a structural basis for this stratification--proprietary knowledge--that gives the powerful system of financial capital a direct stake in stratifying knowledge workers. The third is the system of unequal universities and disciplines within universities that reproduces the labour hierarchy of knowledge work and that makes opposition psychologically difficult. Finally, there is the practice of 'open innovation' in which a firm defines value-creation not as the output of its own workforce, but as the output of proprietary knowledge workers from a whole network of firms. I suggest that this leads to a new version of the ancient regime's Three Estates, and that this structure needs to be confronted directly by knowledge workers in academia and industry alike.

## MANAGING AND DIVIDING

For nearly four decades, a range of American commentators thought knowledge work meant a kind of independence, creativity, and even liberation. Clark Kerr's landmark *The Uses of the University* (1963) described the centrality of the university and its knowledge workers to advanced capitalist economies. John Kenneth Galbraith saw the college-trained middle classes forming a 'technostructure' that ruled large corporations in *The New Industrial State* from 1967. In 1979 Barbara and John Ehrenreich defined the 'professional-managerial class' (PMC) as a new and dominant force in previously binary class dynamics. The decline of the industrial state only fed the claims that knowledge workers were the rulers of the new economy. Robert Reich's 1991 *The Work of Nations* defined 'symbolic analysts' as a new ruling class, one that Richard Florida would rechristen the 'creative class' in 2003, to which all-important social resources would flow.

The fullest endorsement of this idea of a self-determined knowledge class that could make the rules of its own work life came from the moderate, corporatist dean of management studies in the United States, Peter Drucker. In the immediate aftermath of the fall of the Berlin Wall, Drucker offered this vision of knowledge work leading to 'post-capitalism':

'The basic economic resource--'the means of production', to use the economist's term--is no longer capital, nor natural resources (the economist's 'land,') nor 'labor'. *It is and will be knowledge.* . . . The leading social groups of the knowledge society will be 'knowledge workers'--knowledge executives who know how to allocate knowledge to productive use, just as the capitalists knew how to allocate capital to productive use; knowledge professionals, knowledge employees. Practically all these knowledge people will be employed in organizations. Yet, unlike the employees under Capitalism, they will own both the 'means of production' and the 'tools of production'".<sup>6</sup>

But this is not the destiny actually achieved by brainworkers in knowledge companies.

The old industrial goliaths may have needed armies of college graduates to run efficiently, and universities were producing armies of managers, majors in economics, social psychology, and related fields who would enhance efficiency while supporting the company's priorities and the economic system that favoured it. But do knowledge companies want these armies of brainworkers?

There is much evidence to suggest that they do not. The first is that high-tech industries have famously stratified workforces and pay structures in which their blue-collar workers do not make living wages. The second is that when they grew large, they hired as many temporary workers as possible. Microsoft, one of the wealthiest companies in history, was sued for its practice of hiring 'permatemps', second-class employees with different coloured badges and lower wages and benefits who would nonetheless often work with the company for years.<sup>7</sup> A third piece of evidence is that they are as inclined towards mass layoffs as any other industrial sector.<sup>8</sup> A fourth is that the large majority of occupational sectors within 'high tech employment' in Silicon Valley declined during the 2000s.<sup>9</sup> A fifth piece of evidence is that total direct employment in high tech fields (Science, Technology, Engineering, and Mathematics or STEM occupations) was 5.2% of all jobs in the U.S. in 2007, which means that high-tech firms cannot see themselves as sources of mass employment, and must seem themselves as employing only a fraction of college graduates.<sup>10</sup>

There are about 7 million STEM jobs in the U.S., while the higher education system produces about 2.3 million bachelors, masters, professional, and doctoral degrees every year (in all fields).<sup>11</sup> This means that the U.S. university system could reproduce the entire STEM workforce in 3 years (2 years if we include associate degrees). If a normal STEM careers lasts about 30 years, we can conclude, using very rough figures, that the U.S. university system produces about 10 times more graduates than the economy needs in its technical workforce.

The issue for knowledge industries then, is *not* how they can create armies of knowledge workers. The issue is the opposite: how can they limit their numbers and manage their output? What happens to the nine-tenths of college graduates who, according to our simplified numbers, work in a knowledge economy but who do not directly produce its technical knowledge?

## STRATIFICATION THROUGH KNOWLEDGE MANAGEMENT

A big part of the answer is that they are demoted to a lower class of worker. The mechanism is a form of sorting emerged in the 1990s as large numbers of college students who'd grown up with computers entered the workforce with tastes and skills ideally suited to building the Internet and related industries. One term was 'knowledge management' (KM), and it received particularly clear codification in a book by Thomas A. Stewart. At the time, Stewart was a member of *Fortune* magazine's Board of Editors; he later became editor-in-chief of *Harvard Business Review*. KM was part of a system that hoped against hope (and against the economic evidence) that 'The greater the human-capital intensity of a business--that is, the greater its percentage of high-value-added work performed by hard-to-replace people--the more it can charge for its services and the less vulnerable it is to competitors'. The reasoning here was that a company could thrive when it was 'even more difficult for rivals to match those skills than it [was] . . . for the first company to replace them'.<sup>12</sup> KM was thus not window-dressing, but the life-or-death creation of the human capital that would allow a firm to survive in the cutthroat New Economy.

Stewart distinguished between three different types of knowledge or skill. Type C (my label) is 'commodity skills', he wrote, which are 'readily obtained' and whose possessors are interchangeable. This category includes most 'pink collar' work that involves skills like 'typing and a cheerful phone manner'. Type B is 'leveraged skills', which require advanced education and which offer clear added value to the firm that hires such skill, and yet which are possessed by many firms. Computer programmers or network administrators are examples of essential employees who worked long and hard to acquire their knowledge, and yet who are relatively numerous. Ironically, they may have entered the field because it was large: its size may have signalled to them when they were picked a major in college--and to their stability-minded parents--something like 'the high-tech economy will always need computer support specialists'.<sup>13</sup> Yes, but not any particular computer support specialist, and not at a very high wage.

Type A consists of 'proprietary skills', which Stewart defined as 'the company-specific talents around which an organization builds a business'.<sup>14</sup> The knowledge manager must nurture and cultivate only the skills that directly contribute to the firm's propriety knowledge, and stamp out (or radically cheapen) the first kind of knowledge worker, whose skills are interchangeable commodities. Only the star producers--those who create proprietary knowledge--enable the firm to seek rents, and only they are to be retained, supported, cultivated, and lavishly paid.

Of particular interest is Type B, the large group caught in the middle, those with 'leveraged skills'. Part of this group is not generally associated with four-year college degrees: it includes 'skilled factory workers, experienced secretaries', or back-office bookkeepers. The latter, for example, have accounting skills as well as plenty of informal knowledge about how the particular company works. They have experience-based cultural knowledge that cannot be easily codified and transferred, and that helps them figure out what anomalous figures mean since they've seen them before, or which routes of project approval are slow and which are fast. Such knowledge directly improves efficiency and profits in various ways. Tough luck: they may be trained, intelligent, valuable and even necessary but they are not perceived to contribute directly to the firm's main

sources of profit. Thus a good knowledge manager should try to codify some of their informal knowledge, disregard the rest as irrelevant, and outsource as many of these workers as possible.

The other part of this middle group consists of college graduates who produce much added value with high-end skills. They are people with expensively acquired, difficult knowledge, like code writing in a particular computer language, but who nonetheless are similar to their counterparts in other companies. KM will treat these workers as it treats their non-college colleagues: they must be transformed into distinctive specialists who directly contribute to the firm's proprietary knowledge, or they must be fired and their functions outsourced to a company that specialises in such skills. These employees followed the post-war college path to success: they finished school, did well, are reliable, hard-working, adaptive, and intelligent, but are too similar to their counterparts from other universities to add unique value. They are 'excellent' but they are not 'unique': they are productive, but not proprietary. KM insisted that good college grads are no different from other production workers: there is nothing wrong with them, exactly, but they do not contribute the only thing that counted in the knowledge economy--unique comparative advantage through proprietary innovations. KM codified the major development in attitudes about white-collar labour in the 1990s, which was that, for the most part, they were as interchangeable and disposable as their blue-collar brethren before them.

Once KM had slotted knowledge workers according to their relevance to the firm's proprietary goods, its other major goal followed rather easily. That goal was to convert human to structural capital. Most experts offered the knowledge manager the kind of advice that Stewart did: recognise them and their importance. Give them the resources they need.<sup>15</sup> But don't get permissive and go too far. 'Fund them too much, and you'll start to want deliverables. You won't get what you want. You'll get what the community wants to deliver'.<sup>16</sup> Too much independence for knowledge workers would become a threat to the process by which knowledge was put to productive use. Toward the end of the 1990s, as elite knowledge workers became scarce or mobile enough to strike good deals for themselves, they caused all sorts of corporate complaining about the pampering of coders who acted like teenagers and the rise of a bratty class of 'gold-collar workers'.<sup>17</sup> Granting any bargaining power to knowledge workers--to say nothing of self-management--interfered with the task of maximising their knowledge's value to the firm.

Only satisfied knowledge workers could satisfy the firm's need for proprietary knowledge that would allow rent-like profits, and yet self-management, the central source of knowledge workers satisfaction --as for all workers--could not be permitted in any general way. Self-managed workers posed permanent loyalty problems; they needed knowledge managers as much or even more than, in this view, industrial workers had needed Taylorisation. Management in the knowledge economy consisted of separating employees with proprietary knowledge from the vast majority of knowledge workers, and then minimising this latter group's independence and social protections as thoroughly as had happened to industrial workers in an earlier age.

### A THREE-TIERED UNIVERSITY

Meanwhile, the U.S. university was following an uncannily similar path. Faculty members are knowledge workers par excellence; nearly all faculty members in 4-year universities have doc-

toral degrees, and most conduct some level of research. Nonetheless, over the past thirty years, the share of instructors lacking full-time and / or permanent contracts has doubled. The U.S. system now operates with a teaching staff that is 70% temporary.<sup>18</sup> Even in the best-funded science and technology fields, 'the share of full-time faculty declined from 87% in the early 1970s to 75% in 2003.'<sup>19</sup> These non-tenurable faculty members have no say in university governance and little input if any into their own departments. They are on short-term contracts--from 1 semester to 5 years--and are distinctly second-class in relation to the tenure-track faculty; in most cases they can be fired during times of financial stress.

The most important trend in the last thirty years has been the growing inequality between private and public universities. The wealth gap them is the best known of these differences: one of my budget colleagues calculated that Harvard was spending \$60,000 per undergraduate at a time, around 2005, when the University of California was spending about one tenth that amount on its undergraduates. Other gaps have grown as well--graduation rates, student-faculty ratios, acceptance rates, and faculty salaries.<sup>20</sup> It is fair to say that the United States now has a three-speed system of higher education. At the top is the Ivy League Plus, which educates the top 1% of the 18 million people currently enrolled in some kind of higher education institution in the U.S. Europeans will have heard of all of these universities, from Harvard and Stanford to Duke, M.I.T., and Cal Tech, and they dominate world rankings as well. There are around 20 of these universities. Next comes a group of about 150 colleges and universities that are 'selective' and have good reputations outside of their local area. This includes public research universities like Wisconsin, Michigan, North Carolina, Texas, Florida, and many others.

This leaves over 3,500 institutions of higher learning that admit more or less everyone who applies, are often focused on regional needs and vocational training, and that must make do with far fewer resources than is the case with the upper two tiers. These third tier institutions are often 'community colleges'. Whatever good things happen for these students in their classrooms--and there is no reason to assume that learning and academic benefits are inferior at these places--these schools confer mass degrees that offer their possessor no special advantage in the job market. Though their graduates have acquired meaningful cognitive skills and some focused credentials, they have obtained no social advantage. These institutions are about basic employability, but not about social mobility. They are increasingly seen as the only destination for knowledge training that the society's leaders are willing to pay for.<sup>21</sup> They are the training grounds of the true 'cognitariat', knowledge workers and rarely knowledge managers, and in fact heavily managed starting with curricula oriented towards immediate job skills from their first year in college.

Similar tiers have long been part of European higher education, and modernisation is only making them worse. France already had a two-speed system of universities and grandes écoles; the recent legislation passed by the Sarkozy administration--la loi relative aux libertés et responsabilités des universités (LRU; passed in August 2007)--uses the concept of university autonomy to increase an inequality of funding that will lead to a intensified tiering of campuses within the national university system.<sup>22</sup> The German 'Elite 10' competition is another example, and was a response to the increased prominence of international rankings of universities--generally from incommensurate national educational traditions and with diverging social missions--in the creation of educational policy. Tiering blocks a direct response to the real problem of these university

systems, which is their gross underfunding--France and Germany spend about one eighth per student of what those elite American universities spend that appear at the top of international rankings.<sup>23</sup>

The stark and growing inequality within universities and within the 'creative class' of knowledge workers actually isn't good for knowledge. One simple indicator is the lack of growth in American scientific publications from the mid-1990s on,<sup>24</sup> and this stagnation has not only produced a series of high-level reports sounding the alarm,<sup>25</sup> but has recently been traced specifically to declining funding for public universities.<sup>26</sup> An obvious response would be to reverse the decline of higher education funding as a share of personal income on the traditional capitalist economic grounds that it is a good investment in future prosperity. This argument certainly circulates in the United States. But it is not prevailing. Why isn't it, even as the educational damage done through stratification becomes more obvious?

## COGNITIVE CAPITALISM AS OPEN INNOVATION

One reason, once again, is that the rich and famous like paying lower rather than higher taxes. But there is a structural reason that is built into knowledge industries themselves. These now have an innovation strategy that rejects the managerial cadres and white-collar armies of the industrial age. They have a strategy that they believe benefits their own innovation without requiring major 'sunk costs' in a fixed knowledge infrastructure. This innovation strategy depends on leveraging rather than investing, and on a disruptive rather than a curatorial relation to one's own workforce.

The current situation of the high-tech university-industry reciprocity can be summarised via the influential paradigm known as 'open innovation'.<sup>27</sup> It is called open because it tries to respond to the genuine insight in the theory of the knowledge worker, which is that knowledge is common rather than scarce, widely rather than narrowly distributed in the population, and mobile in ways that even the most powerful corporations cannot control. As Henry Chesbrough, the business scholar most associated with the concept, has put it, technology-driven businesses must learn to operate a 'landscape of abundant knowledge'.<sup>28</sup> The lead intellectual property strategist first for IBM and then for Microsoft, Marshall Phelps, has claimed, 'Whereas some 80% of major innovations during the 1970s had come from inside a single company's own R&D labs, by the dawn of the twenty-first century, studies now showed, more than two-thirds of major new innovations involved some sort of interorganizational collaboration--either between private firms, or between firms and federal laboratories or research universities.'<sup>29</sup> 'Open' innovation systems accept high labour mobility and value collaborations outside their institutional boundaries, particularly with universities. Open innovation theory tends to understand that value is created by individual intellectual labour within complex social networks, and puts collaboration across boundaries at the heart of the knowledge economy.

And yet the purpose of open innovation strategy is to absorb the value created by social collaboration into the firm. Microsoft's Phelps notes that open innovation rests on intellectual property (IP) (as did 'closed' innovation). The difference is that 'intellectual property could no longer be viewed solely as a negative right' to block someone else's use of your IP or to extract a tax on that use in the form of licensing fees. 'From now on, IP's greatest value would lie not so much in

being a weapon against competitors, but rather in serving as a bridge to collaboration with other firms that would enable companies to acquire the technologies and competencies they needed to compete successfully'. The lead firm, such as Microsoft, would create networks of smaller firms, subcontractors, and clients whose own products would depend on Microsoft's through a system of cross-licenses that would bind the whole together as one large 'ecology' with Microsoft as its constitutive legal and technological *standard*.

Phelps and other open innovation gurus had figured out that true market dominance didn't come from open warfare for control waged against competitors, since this meant that you alienated customers and allies, soured your public image, lost the chance to access other people's inventions, and lost big chunks of real estate. On the other hand, if you could convince your potential competitors to give you access to their inventions in exchange for something of yours, you could influence--if not directly control--a much larger business ecosystem than before. Moving from sovereignty to governance in Foucault's sense, open innovation companies like Microsoft used open not to undermine their monopolies but to extend them, precisely by making them more flexible. Open innovation gave small companies the chance to access established markets by participating in the Microsoft brand, as well as acquire some IP and financial support. For the bigs, open meant Ottoman-like expansion of a polyglot empire that nonetheless had their code written into all of its operations.<sup>30</sup>

The most successful knowledge corporations, then, are those who are best at using other people's money *and* other people's inventions. The name of the game is *leverage*. Intel, for example, the world's dominant manufacturer of computer processors, approaches an existing lab, already fully funded and staffed with a combination of federal grants and university contributions, suggests topics and personnel, funds a project for far less than what it would cost them to do it (informal estimates among technology transfer personnel suggest that a company like Intel pays the university lab between 5% and 10% of what it would cost for Intel to conduct the research internally). This is of course money the university would not otherwise have, and it is sometimes accompanied with state-of-the-art equipment and excellent scientific input from Intel staff. For its sponsorship, Intel gets access to research results, often exclusively for a set period, and first pick of inventions that may turn into useful intellectual property. Universities do not generally disclose financial terms--they are not favourable to the university<sup>31</sup>--but they do publicise the alliance with a prestigious firm like Intel and trumpet interim research results. The strategy works for Intel because it can absorb other people's inventions, turning them into its own IP at a discounted cost.<sup>32</sup>

Open innovation has a clear implication for knowledge workers. They are not more valuable to a company just because they work for that company. Intel might find a graduate group at a university that does something that is relevant to a product development project and replace their own group that was doing that work before. Since profitable knowledge can come from anywhere at any time, management has no incentive to be loyal to its brainworkers as opposed to the brainworkers at a start-up or government lab or competitor who have just done something interesting. Any individual or group of employees, even if their work is excellent, will be evaluated in some version of KM terms: can they be automated, outsourced with cheaper workers, or turned into sources of proprietary knowledge? Only the latter group will be supported and protected; the rest will often be retained, but with the kind of second-tier pay, resources, and working conditions

that have become normal in the university world. Open innovation logically tries to keep the vast majority of its knowledge workers as liquid as possible. This means retaining the absolute loyalty only of that minority of employees who produce proprietary knowledge while minimising commitments to the rest.

## MANAGEMENT THROUGH INEQUALITY

Like other theorists of cognitive capitalism, Gorz anticipates the rise of political tensions between knowledge workers and knowledge managers. Gorz writes, 'Le conflit qui se développe et s'exacerbe entre le capital immatériel des firmes et les acteurs de cette résistance est, à bien des égards, une lutte des classes déplacée sur un nouveau terrain: celui du contrôle du domaine public, de la culture commune et des biens collectifs'.<sup>33</sup>

The conflict is real, but resistance is weak. Here I'm going to draw on my long experience as a knowledge worker in a large university system, the University of California, which is both a premier producer of research knowledge and a large corporate entity with a multidivisional bureaucratic structure. Large American research universities allocate very different levels of resources to different types of education. Professional schools receive about three times more funding per student than do undergraduates. Medical students on average receive 10 times more funding.<sup>34</sup> Different undergraduate fields receive unequal resources as well: in one case study, engineering received over 5 times the resources per student as the social sciences.<sup>35</sup> As I've mentioned, there are also massive differences between public and private universities. U.S. higher education is radically unequal, and getting more so.

These financial differences are usually concealed by rhetoric of common professional status, and by a lack of precision regarding one another's salaries and working conditions. 2009 has been different, as massive budget cuts led to pay reductions and then differential treatment of a kind that is normally concealed. Here is one recent example. Faculty members throughout the University of California system were given 'furloughs', meaning their 8% or so pay reductions would be accompanied by the ability to work 8% less. Many faculty members decided that they would take many of their furlough days during instruction: they would cancel classes. Some were doing this so that the furloughs would be divided between teaching and research. Others did this in order to 'make the budget cuts visible' to the public, so they could see that the cutting of the state budget was hurting higher education. Most of these protesting faculty were in the humanities and social sciences, where they teach more courses than do faculty members in technical fields. The faculty's formal representative body, the Academic Senate, unanimously agreed that some furlough days could be used for instruction. In late August 2009, the head academic officer for all of the UC campuses declared that no furlough days would be taken during instruction, intervening in an unprecedented way in faculty allocation of instruction. At the same time, he developed a mechanism whereby faculty with extramural grants--mostly in the sciences and engineering fields--could replace their lost salary with grant funds (if the grantee so allowed).<sup>36</sup>

In a single sequence of administrative actions, university officials had overridden the faculty's historic autonomy over its teaching, and then differentiated between faculty with and without extramural grants, allowing the former but not the latter to avoid the pay cut. This is the sequence

that knowledge management routinely involves: first the denial of the knowledge workers autonomy within the organisation, and then a stratification of different classes of knowledge workers depending on whether they are seen to be immediately responsible for the organisation's cash flow. The UC President calls the extramural grant people 'entrepreneurs', and has said on various occasions that these are the people you want to make sure you keep. The loyalists who do the organisation's daily work are given second billing. Their own 'entrepreneurial' activities, such as inventing and designing courses, creating ideas for students that they give away, in short, the value they create by inventive *labour*, are entirely overlooked.

## BLOCKED PSYCHOLOGY OF THE THREE ESTATES

These hierarchies within communities of knowledge workers induce anger, withdrawal, and paralysis. The winners may well recognise the issues, but are reluctant to jeopardise their own advantages and feel that they can do little about the overall system. Certainly no electrical engineer at UC San Diego feels able to have an impact on a decision made at headquarters in Oakland by people with whom he has no relationship. Those that benefit from the system tend to try to ignore it, and exceptions are rare.

The losers react with a combination of anger and hesitation. In the UC case, disarray and fragmented strategies replaced the large-scale walkouts that had at first been imagined. The source of the anger is obvious--the sense of unjust subordination, of labour and value-creation that is ignored and even repudiated by the organisation. The hesitation comes from a sense of futility mixed with anxiety that action from one's position of powerless will lead only to further powerlessness and injury. Since the bonds of the organisation are, in a knowledge economy, unquestioning, and since the dominant value is the return that can be measured financially, the losing knowledge worker cannot rely on a stable relationship with senior management. This is true even of faculty with tenure--though their superiors cannot without enormous effort take away their jobs, their superiors have already taken away their stable, honoured, unquestioned, visible place.

One common reaction is wounded narcissism, which Christopher Lasch long ago identified as a common phenomenon in bureaucracies, where one feels that 'professional advancement had come to depend less on craftsmanship or loyalty to the firm than on "visibility", "momentum", personal charm, and impression management.'<sup>37</sup> Although knowledge workers are supposedly characterised by their independence, this is the one feature that a concern for their image prevents. Having largely given up on equalising their status by forcing meaningful organisational change, they mostly focus on maintaining favourable individual relationships with superiors, which requires a general acceptance of their dependent place, leading to further resentment, dependence, and paralysis.

There is indeed a conflict between the modes in which knowledge is produced and owned within cognitive capitalism. But this does not translate into a political conflict of the kind Gorz calls class war. Analysts often suggest that two general phenomenon can undermine a productive contradiction like that of cognitive capitalism. The first is *immiseration*, in which bad conditions force a revolt. The second is *inefficiency*, in which elites tire of wasting money controlling people and not getting that last 20% out of knowledge workers made sullen by mediocre treatment. Neither of these function in the case of knowledge economies, where the knowledge worker masses are still

middle class on a world scale, and where a sense of professional duty produces good enough efficiency in nearly all cases (and threats of layoffs and closure where it does not).

If we use a harsher language than is ever tolerated in U.S. discussions, we can see within the Bush and the Obama Administrations the shadow of the ancient regime, signs of a sun king return of the Three Estates.<sup>38</sup> First Estate: international-level political and corporate executives enjoy a very limited accountability to the national population at large. This power rests largely on concentrations of wealth that have both intensified over the past several decades, and expanded beyond a tiny group of moguls and great families to include traders, bankers, and executives who make tens or even hundreds of millions of dollars per year. Its lower reaches begin with the top 0.1% of U.S. earners, with incomes above \$1,600,000 in 2007, is better represented by 'the almost 15,000 families with incomes of \$9.5 million or more a year',<sup>39</sup> and is skewed toward global corporations and the financial sector.<sup>40</sup> Its colleges are largely 'Ivy League Plus'--Harvard, Yale et al plus Stanford, MIT, perhaps Duke, and a just a few others, all private. Second Estate: this is the enabling high-tech clergy, and it provides the highly developed legal, managerial, and financial skills that enable successful business and investment in highly profitable, largely oligarchic sectors such as information technology, communications, banking, pharmaceuticals, and others. Medical and engineering knowledge are also important, though more indirectly. Their incomes place them in the top 1% (starting at \$350,000 a year in 2007).<sup>41</sup> They speak technical languages of law, management, and finance that are largely indecipherable even to highly educated non-specialists, and maintain an invisible empire of ownership structures and lucrative transactions whose existence makes itself known only through occasional disasters like the 2008 financial meltdown. Third Estate: the new Third Estate is characterised by the increasing insecurity and political helplessness of the top as well as the bottom of the rest of the population.<sup>42</sup> Nearly 80% of U.S. society has not had a raise in inflation-adjusted dollars since the 1970s, and their share of both net worth and financial wealth in the U.S. has steadily declined.<sup>43</sup> The 19% that follows the top 1% has done the best in this group, but it too has largely seen its stable pension plans converted into mutual funds that lost a quarter of their value in the fall of 2008, has seen its health care costs mushroom, and has seen its ranks thinned through waves of mass layoffs over the past twenty years.<sup>44</sup> Its children are taking on increasing debt to go to college in order to obtain an increasingly shaky claim on stability and affluence.<sup>45</sup> This estate includes blue-collar workers in construction, agriculture, and hospitality, but also the vast majority of brainworkers whose jobs require college degrees, additional specialised knowledge, and complicated experiential 'know-how'--nurses, social workers, accountants, urban planners, architects, and college professors with doctorates in anthropology or the history of art. Though the top of this estate enjoys vastly better life chances than the bottom--I do not at all want to minimise the difference between life at the 10% income level and life at the 90%--working conditions for all of this majority group are less secure than they were twenty years ago, its productivity is less appreciated, and its own condition significantly less upwardly mobile.<sup>46</sup> In knowledge companies and universities alike, a growing majority is unlikely to enjoy security, regular wage increases, or respect for its labour and output. It lacks the financial independence--even the basic sense that if fired there will be another job.

The analogy with France's pre-revolutionary estates is obviously inexact, but its type of social stratification is both intensifying and hardening in most wealthy nations. It represents a near total defeat of golden-age visions of majoritarian rule, mass prosperity, general equality, and the

cultural progress made possible by the reduction of scarcity. Scarcity is back, for all but that top 1% whose accumulation of lunatic, utterly unspendable amounts of personal wealth are themselves a tribute to the fear of the fear of scarcity--of life as it is lived by even the best educated little people in the increasingly defenseless world that these elites have helped create. What Barbara Ehrenreich called the middle class's 'fear of falling' now defines the life of the vast majority of knowledge workers. Knowledge management is there to draw a line around them, and between the second and third estates--between the proprietary knowledge creators, who enjoy the remnants of golden-age security, and those who are merely very well educated, highly trained, very overworked, and who do excellent labour whose effects cannot be captured by the firm but that spill over to less visible members of society, like students, or to society at large.

I see a two-track strategy to deal with all this. The first is the exposure of the leveraging, the free-riding, and the hidden subsidies through which the Third Estate and its institutions support the other two--by which public universities support private industry, to their increasingly detriment. The second is to re-imagine and articulate the broad social and cultural missions that will flow from the other nine-tenths of knowledge workers, the non-technical brainworkers (in the traditional sense) whose ideas about diversity, equality, justice, technology for use, sustainable development, and so many other issues can transform the world. The university is the obvious place for this re-articulation to begin, and it needs to assume a post-Kantian parity of the faculties that will allow all the knowledge lost via the subordination of non-proprietary knowledge workers to make itself felt again.

## NOTES

\* This is an extended English version of an article that appeared in *Multitudes* 39 (2009).

<sup>1</sup> For an extended discussion of the culture wars and budget wars on the American university, see Newfield, *Unmaking*, especially parts 1 and 2.

<sup>2</sup> For the history of this now-mainstream corporate strategy, see Uchitelle, *The disposable*.

<sup>3</sup> For discussion of these issues as they bear on budget analyses of the crisis of the

country's leading public university system, the University of California, see my Newfield, Regents; Newfield, Notes. See also the statement made by Jane Wellman, Executive Director of the Delta Cost Project in Congressional testimony, College, @ 02:00

<sup>4</sup> See Negri and Vercellone, *Le rapport*, 41. An earlier example: 'La valeur d'échange de la connaissance est donc entièrement liée à la capacité pratique de limiter sa diffusion libre, c'est-à-dire de limiter avec des moyens juridiques (brevets, droits d'auteur, licences contrats) ou monopolistes, la possibilité de copier, d'imiter, de 'réinventer,' d'apprendre des connais-

sances des autres'. Rullani, *Le capitalisme*, 87-94.

<sup>5</sup> 'L'impression qui se dégage de tout cela, c'est que dans et sous le capitalisme une économie différente se forme qui est forcée par des artifices à fonctionner comme la continuation du capitalisme, sans que ses lois de fonctionnement propres soient élucidées ni compatibles avec celles du capitalisme. Si, comme vous le suggérez parfois, le capitalisme cognitif est la solution que cherche le capitalisme industriel à sa crise de suraccumulation, cette solution me semble créer plus de problèmes qu'elle n'en résout, tout en les masquant temporairement. Envisager les choses sous l'angle de la régulation nous détourne, à mon avis, du problème de fond, qui est l'incompatibilité entre l'économie capitaliste et l'économie de la connaissance. Celle-ci demande à être une économie de l'abondance, du partage, de la mise en commun de l'auto-organisation omnilatérale par concertation permanente, car c'est ainsi qu'elle est la plus féconde. Le capitalisme cherche à se l'incorporer en rendant rare ce qui est abondant et privé ce qui est public, rentable ce qui est gratuit'. Gorz, *Économie*.

<sup>6</sup> Drucker, *Post-capitalist*, 8. For a contextual argument that situates Drucker's work on the corporation as oppositional to the Keynesianism with which Galbraith sympathised, see Gilman, *The prophet*.

<sup>7</sup> The case, originally filed in 1996, was *Vizcaino v. Microsoft*, U.S. Court of Appeals for the Ninth Circuit (1999), <http://www.techlawjournal.com/courts/vizcaino/19990512.htm>. Microsoft settled out of court with a payment of \$96 million to the permatemp plaintiffs.

<sup>8</sup> See for example, *TechCrunch Layoff Tracker*, <http://www.techcrunch.com/layoffs/>.

<sup>9</sup> Mann and Nunes, *After*.

<sup>10</sup> Bureau of Labor Statistics, *Chart book*.

<sup>11</sup> National Center for Education Statistics, *Digest*, Table 186.

<sup>12</sup> Stewart, *Intellectual capital*, 91.

<sup>13</sup> For a clear inverse correlation between the size of the information technology occupation and its wages (the bigger the field the lower the wage), see U.S. Bureau of Labor Statistics, *Chart*, Figure 1.

<sup>14</sup> Stewart, *Intellectual capital*, 89.

<sup>15</sup> Stewart, *Intellectual capital*, 98-99.

<sup>16</sup> Valdis Krebs, cited in Stewart, *Intellectual capital*, 100.

<sup>17</sup> Munk, *The new*, 62-66, 68, 72, 74.

<sup>18</sup> For example, see the summary table for an October 2007 report by the American Association of University Professors.

<sup>19</sup> National Science Foundation, *Science*, Chapter 5.

<sup>20</sup> For a brief summary see Van der Werf, *Rankings*, A 13. See also Bianco, *The dangerous*.

<sup>21</sup> See College Board, *Winning*.

<sup>22</sup> See Charle and Soulié, *Les ravaes*, especially the chapters by Lorenz and Neyrat. See also Cottet, Zubiri-Rey and Sauvel, *L'émergence*, 56-65.

<sup>23</sup> Calculation based on authors data and data from Education at a glance 2009: OECD indicators,  
[http://www.oecd.org/document/24/0,3343,en\\_2649\\_39263238\\_43586328\\_1\\_1\\_1\\_37455,00.html#Findings](http://www.oecd.org/document/24/0,3343,en_2649_39263238_43586328_1_1_1_37455,00.html#Findings).

<sup>24</sup> National Science Foundation, *Outputs*.

<sup>25</sup> National Academies, *Rising*.

<sup>26</sup> Adams, *Is the U.S.*

<sup>27</sup> Chesbrough, *Open*.

<sup>28</sup> Chesbrough, *Open*, xiv.

<sup>29</sup> Phelps and Kline, *Burning*.

<sup>30</sup> The IP executive Phelps is more forthcoming about his intentions than are most of the open innovation theorists. Discussing 'inclusivity value', he says, 'Collaboration is not merely a public relations function. It enables a company to more broadly and rapidly disseminate its technologies and products into the market through the cooperative efforts of others. It provides the framework for pursuing joint product development work with other companies that can lead to greater success in the marketplace. It can facilitate entry into new markets, broaden freedom of action within a market...and provide access to needed outside technologies' (loc 586).

<sup>31</sup> See Newfield, *Unmaking*, Chapter 12.

<sup>32</sup> Chesbrough writes, 'Intel's approach to managing innovation has a number of obvious strengths. It is efficient, because it launches few blue-sky investigations that might lead to dead ends. The approach is also efficient because it reinvents fewer wheels, instead building on the research

discoveries of others (particularly university researchers) and transferring those discoveries into the company's own development process. Intel's approach to innovation saves money as well, because Intel leverages the facilities and personnel of other institutions. Although the company often pays to fund external research projects, these grants likely do not cover the full cost of the researchers, facilities, and other overhead expenses'. *Burning*, 124.

<sup>33</sup> Gorz, *L'immatériel*, 70.

<sup>34</sup> Newfield, *Notes*.

<sup>35</sup> Newfield, *Unmaking*, Chapter 13.

<sup>36</sup> Letter posted at 'UCOP on furloughs: We're the deciders!' Remaking the university, <http://utotherescue.blogspot.com/2009/08/ucop-on-furloughs-were-deciders.html>; and Pitts, *Memo*.

<sup>37</sup> Lasch, *Afterworld*, 236.

<sup>38</sup> For examples of this ideology as it bears on U.S. executives, see Newfield, *Bastille*.

<sup>39</sup> Uchitelle, *The richest*. Uchitelle relies on the research of Thomas Piketty and Emmanuel Saez.

<sup>40</sup> See Piketty and Saez, *The evolution*. One study by University of Chicago academics Steven Kaplan and Joshua Rauh concludes that in 2004 there were more than twice as many such Wall Street professionals in the top 0.5% of all earners as there are executives from nonfinancial companies. Mr. Rauh said 'it's hard to escape the notion' that the rising share of income going to the very richest is, in part, 'a Wall Street, financial industry-based story'. The study shows that the highest-earning hedge-fund

manager earned double in 2005 what the top earner made in 2003, and top 25 hedge-fund managers earned more in 2004 than the chief executives of all the companies in the Standard & Poor's 500-stock index, combined. It also shows profits per equity partner at the top 100 law firms doubling between 1994 and 2004, to over \$1 million in 2004 dollars.

<sup>41</sup> Ip, Income.

<sup>42</sup> For the U.K. variant on the inequality boom, see Joseph Roundtree Foundation, New.

<sup>43</sup> Domhoff, Wealth, Table 1.

<sup>44</sup> For an accessible overview of the fate of working America, see Greenhouse, *The big*.

<sup>45</sup> For example, U.S. federal student debt increased 25% in just one year, from 2007-08 to 2008-09, see Chaker, Students.

<sup>46</sup> Sawhill and Morton, Economic.

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# Hoisting the “knowledge bank” on its own petard

## The World Bank and the double crisis of african universities

George Caffentzis

Struggle is like education and it just keeps going on.  
(DERRICK GWALA of the ‘Kennedy Road Committee’  
quoted in Pithouse, *Our struggle*, 30)

For ‘tis the sport to have the engineer  
Hoist with his own petard, an’t shall go hard  
But I will delve one yard below their mines  
And blow them at the moon.  
(SHAKESPEARE, *Hamlet*, Act 3, scene 4, lines 206-209)

GEORGE CAFFENTZIS  
TEACHES IN THE  
PHILOSOPHY DEPARTE-  
MENTAL AT UNIVERSITY  
OF SOUTHERN MAINE.  
SCHOLAR AND ACTIV-  
IST HE IS COORDINA-  
TOR OF THE COMMITTEE  
FOR ACADEMIC FREE-  
DOM IN AFRICA AND  
MEMBER OF *MIDNIGHT  
NOTES COLLECTIVE*.  
HE WAS EDITOR OF  
*MIDNIGHT OIL: WORK,  
ENERGY, WAR, 1973-1992*  
(Autonomedia, 1992) AND  
*A THOUSAND FLOW-  
ERS: SOCIAL STRUGGLES  
AGAINST STRUCTURAL  
ADJUSTEMENT IN AF-  
RICAN UNIVERSITIES*  
(Africa World Press, 2000).

### INTRODUCTION

The ‘double crisis’ that the first issue of the *Edu-factory Journal* investigates is not new to African university students and faculty. Africans’ double crisis began in the 1980s, when the World Bank and other international financial institutions subjected most of their governments to Structural Adjustment Programs (SAPs) that tore apart every aspect of their economic and cultural life, leading to an epochal restructuring of the universities.

The international financial meltdown of 2008 has hardly changed the academic landscape that emerged over the last two decades. Instead, change has come from the successful struggles African students have made to gain access to university education--internationally promoted as the path to a prosperous life for individuals and economic development for countries as a whole--in the face of opposition from

the World Bank that is calling for a reduction of access. These struggles have created a Stalemate in the war between African students and agencies like the World Bank that is rapidly unraveling and heading toward a socially explosive denouement.

This paper will chart the formation of the Stalemate and the consequences of its dissolution. Such an analysis is essential for the Edu-factory project that intends to be 'a space where struggles connect, a space of resistance and organisational experiments', for it is important to know *what* the struggles are that are being connected.<sup>1</sup> The connection between African students' struggle and cognitive labour struggles in Europe and North America poses many of the same issues concerning the meaning of solidarity that were encountered in previous periods. Just because the adjective changes (from 'industrial' to 'cognitive') does not mean that the political questions posed by a hierarchy of labour powers do not apply.

## THE CHRONIC DOUBLE CRISIS OF AFRICAN\* UNIVERSITIES

We can only appreciate the nature and significance of the Stalemate, when we consider the World Bank's SAPs for Africa since the mid 1980s. They not only destroyed African economies and forced governments to dramatically reduce public investment in education especially at the tertiary level, they also redefined post-colonial Africa's place in the new International Division of Labour which globalisation made possible and required. Unambiguously, African countries were assigned to the very same position they had occupied in colonial eras, when their primary function was to provide both raw materials and labour for foreign investors and the international market. This means that the mass of African youths were not to benefit from the developing knowledge and information economy, but they would be destined (with a few exceptions) to become manual workers in it at best.

The World Bank's guidelines for African university education systems were consequently quite simple in the 1980s: cut, cut, cut, freeze public investment in any aspect of academic life--from infrastructure to wages and students' allowances--and reduce student enrolment which *had grown dramatically in the first two decades* after independence.<sup>2</sup> Bankrupt African governments were told that they would not receive World Bank loans unless they reduced students' subsidies and allowances; ended free tuition and charged fees for university education; cut or merged under-enrolled departments; and reduced the size, wages and benefits of faculty and staff.<sup>3</sup> In turn, university administrators learned they would have to find their own funds to continue their institutions' academic activities, as the governments no longer would subsidise university education.

## THE DIS-INTEGRATION OF AFRICAN UNIVERSITIES

These developments marked the end of the political project that had been launched at independence, when the funding of university education was to be the passport to a more autonomous, self-determined 'road to development', and the formation of a self-governing African elite. As Vice Chancellors and heads of departments turned into businessmen overnight, developing 'links' with foreign universities and NGOs, renting facilities to study abroad programs, and channeling classes to do consultancy work, the paradigmatic concept of higher education--as the ticket

to individual and national self-improvement--was cancelled by the major financial and 'development' agencies. A growing body of literature is now available documenting the effects of this turn.<sup>4</sup> It shows Africa leading the way, as it were, not only in the dismantling of public investment to education, but also in the commercialisation of academic life.

According to the new dispensation, students were to pay for their university education as if it were a commodity while university authorities were to treat them as paying customers; the *direct* intention being that the introduction of tuition fees would reduce the student numbers dramatically. However, this neoliberal perspective on education had many disturbing *indirect* consequences, the primary one being the subversion of the assumption of a common interest among university departments, schools, colleges and programs. For when one commodifies an object, one inevitably must commercialise it, i.e., produce it only with the intent of selling it in a market competing with other sellers of the same or a similar commodity. The same thing applies to education: once commodified, it will be commercialised and sold competitively.

In the abstract this is obvious, but when translated into the structure of a university, there is hell to pay. A graphic example of this is to be found in Makerere University in Kampala, Uganda (a university that had been once considered one of the best in Africa and hence it was and remains a trend-setter).

In the late 1990s government officials informed the faculty members at Makerere that they had to take an entrepreneurial approach to student enrolment in their courses, departments and faculties. They and their units would be evaluated for further support on the basis of how successfully they attracted students (especially 'paying' ones). Departments tried to 'conserve' their majors by having them take as many of their courses within the department because a certain percentage of student fees went to the Department that offered the course. The more attractive the course, the more it could be 'sold', of course. Consequently, 'turf wars' erupted between departments over the housing of interdisciplinary programs, 'for the right to house a programme translated into a considerable financial advantage'.<sup>5</sup> Soon departments were 'charging' other departments for 'service' courses they gave to the students of other departments. Inevitably in such a regime, there were 'balance of payments' difficulties. The mercantile system within the university, like the one in the world market, inevitably led to violent clashes.

This approach had a huge impact on the curriculum. For example, if tourism were a 'hot' topic, then courses (even programs) in tourism would be offered to the added tuition fee income. This result is a neglect of disciplines that a serious long-term view of the intellectual needs of Uganda would require funding.

This breakdown of university coherence on the administrative level is not unique to Makerere University. Similar developments can be seen, for example, in post-apartheid South Africa.<sup>6</sup> As Richard Pithouse observes: 'Often departments and courses that are not profitable--especially in the arts and humanities are summarily shut down'.<sup>7</sup> Of course, African universities are not alone in this disintegration, these features have been typical of neoliberal university reforms throughout the world; the only difference is that the competitive logic of these reforms is rarely taken to such a bald conclusion.<sup>8</sup>

On all these levels, then, after more than a decade of the commodifying reforms in Africa, the universities are increasingly unable to meet their most vital academic obligations. Conflict has become the order of the day: students against government, faculty colleague against faculty colleague, department against department...and the World Bank against all! Instead of moving to a uni-versity, these universities are kept together increasingly either by a Leviathan (in the form of the police and military) or foreign 'angels' redistributing their largess with an eye to profitability or, inevitably, both.

## THE DELEGITIMATION OF AFRICAN UNIVERSITIES

A related consequence of SAPs has been *the weakening of African universities' intellectual legitimacy*. This development has been quite functional to the interests of global corporations, especially those involved in pharmaceutical and agricultural production. One obvious result has been the almost total marginalisation of African countries from the patent system. For example, only three of them have one or more patents per million of population (Morocco with 3 per million and Gambia and Botswana with 1 per million, whereas Japan has 120 and Switzerland 105 per million).

This does not mean that there is no 'intellectual property' in Africa, of course. The structural adjustment of African universities and their consequent delegitimation allows global corporations, research NGOs and the World Bank, to present themselves as the institutions that can protect, preserve and make productive Africans' indigenous pharmaceutical and agricultural common knowledge. Certainly, 'bio-prospecting' relies on the general impoverishment of the African countries, that in the wake of liberalisation have now to sell, literally, their birthright.<sup>9</sup> The disabling of the universities gives a powerful contribution to this process, as it weakens the ability of African countries to resist the encroachment of the global corporations, and to enforce measures that would protect Africans' knowledge, 'traditional' or otherwise.

Structural adjustment in African universities reduces research costs by making available a rich pool of cheapened intellectual labour power and research facilities. As is typical of these neoliberal operations, public facilities are first defunded and subverted; only when they are literally on their knees are they formally or informally privatised. This process of defunding ends once the university department or government institute becomes a reliable 'partner', i.e., one that will not object to the expropriation of local knowledge and in fact give the corporations a local cover. For example, about a decade ago South Africa's National Botanical Institute (NBI) sold the rights to develop *carte blanche* new strains from national flora to a U.S.-based company, Ball Horticultural. Similarly another South African governmental institute was involved in selling indigenous knowledge:

The San, one of Africa's oldest tribes have used Hoodia since prehistoric times to stave off thirst and hunger for long periods of time. It was patented in 1995 after being translated into a blockbuster obesity cure, P57, with a market potential of \$6 billion. The particularly disconcerting aspect of this case is that it was a governmental organisation, the Council for Scientific and Industrial Research (CSIR), which took and patented the

knowledge before licensing it to Phytopharm who subsequently sub-licensed to Pfizer, with none of the projected royalties being earmarked for the San.<sup>10</sup>

These are not alone, many patents claimed by pharmaceutical or agricultural companies are simply plundered from African people's medical and agricultural common knowledge.

## SAPs AND AFRICA IN THE INTERNATIONAL DIVISION OF LABOR

SAPs, then, were successful in de-structuring and re-adjusting many African universities so that they lost their ability to offer a coherent academic program and to produce the scientific and cultural defenses of the nation's patrimony.

SAPs also achieved one of the World Bank's grossest aims: the achievement of an epochal reduction in the investment (per student) in African universities as well as a successful application of neoliberal 'market logic' in the management of universities. In one sense, the university crisis of the 1980s and 1990s seemed to have been remarkably successful.

The economic side of the double crisis was also apparently successful from the perspective of collective capital. In the more than two decades since the first SAPs were introduced in the mid-1980s, the African countries' economic crisis triggered by structural adjustment continued unabated. Since the mid 1980s, the continent has occupied the lowest levels in the major indexes of capitalist accumulation. Sub-Saharan Africa has now 12% of the world's population, but it has 1.6% of its GDP.<sup>11</sup> And the international division of labour has unambiguously reinstated African countries into a colonial position, directing them, as we have seen, to be producers and exporters of minerals, agricultural products and labour-power. This is indicated by the following:

- While 3% of the world's output is agricultural, in Sub-Saharan Africa 14% of the monetary economy is comprised of agricultural commodities;
- Extractive industries in Africa are dominant from the point of view of trade. For example, '[b]etween 2000-2004 90% of Guinea's export earnings came from bauxite, alumina, gold and diamonds; copper (predominantly) and cobalt gave Zambia over 60% of its foreign trade income while a third of Ghana's earnings came from gold'.<sup>12</sup> The GNP growth of African economies, since the early 2000s, which the business press has ballyhooed, was largely based on the commodity bubbles for minerals and petroleum that preceded the financial crash in September 2008;
- More than one million Africans emigrate every year, many crossing the Sahara desert on foot and sailing on 'death ships' heading for Europe. Their drowned or desiccated bodies on Mediterranean beaches or the Sahara desert are a visible sign of the crisis the African youth experience with regard to their economic future.

Part of the agricultural, mineral and human wealth flowing out of Africa metabolises in the form of remittances (skimmed off by international banks and money transfer firms), rents (for leases on mines negotiated by government officials who expect a bribe from the companies they are negotiating with), and export earnings (from agricultural and mining activities that devastate the

land and the health of the people). But only a miniscule part of the returning value is reinvested in the institutions in which academic knowledge is produced.

If investment 'talks', the international business' viewpoint on education is essentially the same as it was in the 1980s when the World Bank--the premier planning institution on the African continent and architect of the 'double crisis' to this day--could cavalierly assert that 'Africa had no need for universities'.

## THE BANK TURNS

For all the success of the SAPs in undermining Africa's tertiary educational systems and making them compliant to its objectives, the World Bank has been forced to revise its public posture toward them. While in the 1980s, the Bank's call for drastic cuts in the academic budgets was uncompromising, it now admits that higher education is an indispensable component of 'development' even in Africa.<sup>13</sup> This turn in the Bank's behavior has been both ideological and financial.

The World Bank began to modify its ideology during the mid 1990s in the midst of spreading anti-SAP revolts, mounting criticism of its operations and the emergence of a new global economy, where presumably 'knowledge was outstripping material resources and physical capital as a source of wealth'.<sup>14</sup> As Cohen and Laporte report, by 1996 an ideological shift was underway at the Bank, under the tutelage of its new Director James Wolfensohn, arguing that 'knowledge was a powerful poverty-reduction instrument in its own right', and picturing the Bank as a 'knowledge bank', developing 'knowledge economies' in the postcolonial world.<sup>15</sup>

A milestone in this process was the 1998/1999 World Development Report *Knowledge for Development*, which insisted on the importance of education for competition in a world-market increasingly requiring technological sophistication and information. The document reiterates the standard praises for basic education, but notices that higher education is essential to a country becoming 'a player in global markets' or 'near the technological frontier'.<sup>16</sup>

By 2006, World Bank writers like Bloom, Channing, and Chan had the confidence to dismiss the skepticism of the elders of neo-liberalism, Milton and Rose Friedman, had towards the functionality of higher education for the accumulation process. They noted that:

- University enrolment rates are correlated with labour productivity growth;
- The number of scientists and engineers per capita is also associated with economic growth;
- Higher education had a strong causal impact on economic growth in France, Japan, Sweden, and the United Kingdom.<sup>17</sup>

Since 1996, then, the World Bank has been in advance of the anti-capitalist visionaries in asserting the potentialities of knowledge, including the need for controlled knowledge communities to help 'capitalising on local knowledge' in Africa.<sup>18</sup>

Along with this ideological turn has come a financial one. The World Bank's loans to African universities continued to fall from \$120 million in 1990 to about \$14 million in 2000. But that was the low point, a turn around followed and lending grew to \$105 million in 2008.<sup>19</sup>

## EXPLAINING THE TURN AND THE STALEMATE

What has been the source of this change in attitude and lending towards African universities? We certainly cannot take the World Bank's explanation--new statistics and new theoretical developments--at its face value.

There are at least two conflicting factors that need to be considered: first, mounting campus revolts in Africa against structural adjustment and for increasing access to universities made the control of these institutions more tenuous; second, the very success of its neoliberal restructuring of the universities described above have made them useful sites for the exploitation of the continent's resources. As a result, African universities offered a mixture of danger and opportunity for the World Bank and the 'development' agencies.

The danger arose in the following way. The increase in fees and the decrease in investment per student dictated by SAPs were supposed to have cut the student population. But that did not happen. On the contrary, there has been a dramatic increase in university student enrolment in Sub-Saharan Africa from 2.6% in 1991 to about 5% in 2005, even though that is still the lowest regional rate on the planet. More importantly, the rate of increase in the number of students, about 8.7% a year (hence doubling every 8 years), is the highest on the planet.<sup>20</sup> This increase is an autonomous development, similar to the autonomous character of immigration in this period. It responds to a different logic than that of the Bank's and its client, collective capital's, and is one that they do not welcome. Just as immigration is rooted in struggles both in the 'receiving' and 'sending' countries, so too the rising student population has its source in the struggles that students make in the universities and the efforts their extended families make in their home territories.<sup>21</sup>

Thus, a stalemate has been created--i.e., an ever-increasing university enrolment demanded by African students faces a SAP inspired ever-decreasing education investment per student. Neither side seems to be able to break out of this untenable conjunction.

In response to the situation, the World Bank thunders in its bank-speak:

Over the past two decades, tertiary enrollments have generally increased far more quickly than tertiary budgets...But at the same time, tertiary public financing, which averaged US\$6,800 per student annually in 1980, dropped to just US\$981 in 2005 for 33 low-income African countries.<sup>22</sup>

And again: 'Too rapid an increase in enrollments, as has happened in the recent past, had eroded quality and is undermining the contribution of tertiary education to growth'.<sup>23</sup> The Bank's anxiety about the resulting Stalemate, however, is obvious:

The future...promises no immediate relief from these pressures as a rising tide of graduates from basic education is now jostling for entry into secondary education, and will soon be banging on the doors of tertiary institutions. Left unchecked, a continuation of current trends will produce a further tripling of tertiary enrollments by 2020. Enrollments will be fueled by record numbers of youth as a demographic "bulge" works its way through the SSA education system in the decade ahead. The interplay of these two factors will generate intense social pressure for access to higher levels of education, which most elected politicians within Africa's relative new democracies will find impossible to ignore.<sup>24</sup>

In other words, African students value university education enough to risk death or injury in demonstration after demonstration against cuts in subsidies and increases in tuition fees. Families have also devoted an increasing share of their resources to give their children access to university education. For the increasing cost of university education in Africa is being borne by a transfer of wealth from the family and/or the village community sponsoring the student to the university and the state. This transfer is based on the student's family's/village's hope that in the future the knowledge worker so produced will reverse the direction of the value flow. In other words, the African land commons has been induced to transfer value to knowledge-worker production in this deal, showing the darker side of the proverb made famous by Hillary Clinton, 'It takes a village to raise a child'.

The value transfer from land to tertiary institutions is not unique to Africa. It is a global phenomenon. In India, for example, information technology training institutes get their profits from tuition fees paid by those who want to get IT jobs. The aspirants pay their tuition fees from the agricultural surpluses of their families' farms or from their wives' dowries. One observer estimates that '25% of agricultural surpluses in villages he studied was invested in higher education', and that '[p]arents eager to marry off their daughters contribute to the flow of agricultural surplus from the villages to the cities, and enable the grooms to pursue the IT education that they hope will turn their dreams into reality'.<sup>25</sup>

However, Africa is not India, and even the World Bank recognises that family and governmental investment in higher education in Africa is reaching its limits.<sup>26</sup>

On the other side, contemporary African universities are attractive to the World Bank, the NGOs, and international development agencies and corporations. Certainly, they hardly resemble the institutions the Bank had set out to restructure in the 1980s. Much academic activity is now under the control of World Bank veterans, NGOers or staff from foreign universities, mostly from North America and Europe, who have been the main beneficiaries of the change. African universities and their staff are also implicated in much consultancy work for foreign companies as well. Consequently, there is a desire within the Bank to keep the compliant universities running in order to preserve these adjusted zones of knowledge production.

Nevertheless, the prospects for Africa's economic 'development' in the 'knowledge economy' hardly justify the World Bank's loans to African universities.

## THE CONTRADICTION

These loans reveal a glaring flaw in the World Bank's logic.<sup>27</sup> For the focus of capitalist production in Africa is still largely extractive, i.e., Africans' knowledge is not being valorised in Africa. The World Bank's earlier higher education planning in the 1980s--the elimination of many universities, departments and programs, the reduction of access to university education and an emphasis on primary education--was consistent with the role that Africans were to play in the international division of labour (in its eyes). There is now a contradiction in the World Bank's policy between the still unchanged role of Africans in Africa in the international division of labour and the ideology of the 'knowledge economy' that it is dangling before African students, parents and politicians. The main economic change in 21st century Africa has been 'a new Scramble for Africa' involving expanding mineral and hydrocarbon extraction and the sell-off of huge tracts of land to foreign investors who plan to use the land for bio-fuel projects and industrial agriculture.<sup>28</sup> This 'scramble' is often sanctioned by mining codes and land use policies that the World Bank has drafted.<sup>29</sup> SAPs have sedimented privatisation policies guaranteeing that the African states charge corporations and investors a pittance for rent of mines. This intensified extraction of crops, minerals, and labour power--exemplified in the coltan mining in the Congo (where miners dig the mineral out with their hands) or the oil extraction in sci-fi like platforms in Gulf of Benin where hardly an African worker can be found--is not the basis for an economy integrating cognitive labour power in African production. The World Bank recognises this contradiction:

Rapid enrollment expansion channeled students disproportionately into the less expensive "soft" disciplines and siphoned off research funding to cover the costs of more students. In 2004, just 28 percent of tertiary students were enrolled in science and technology fields...[Tertiary institutions] have too often redesigned curricula and launched new academic programs without adequate input from employers on the labour market performance of graduates, creating a "disconnect" between the supply and demand for high-level skills.<sup>30</sup>

In Bank-speak this means that there are still too many African university students studying in unprofitable ways not sanctioned by domestic or foreign capitalists. Instead of preparing to become useful employees for the extraction industries in this century's 'scramble', 47% of the university students graduate in humanities and social sciences, and only 18% graduate in disciplines that might be directly useful to the extraction industries.<sup>31</sup> By increasing its lending to African universities since 2000, the Bank has tried to keep itself engaged with them and steer them toward a more 'productive' policy, i.e., reducing student numbers, training more scientific and technical workers, eliminating the 'soft' disciplines and in general disciplining the disciplines. But it is not too sanguine about the results. World Bankers fear that the Stalemate in African universities is producing a displaced, unemployed, increasingly proletarianised, and potentially revolutionary class of 'knowledge workers' (a.k.a. in classical sociological jargon, 'a revolutionary intelligentsia').

The ingredients for such a development are there. Graduate unemployment is high: in 9 out of 23 countries with available labour market data, graduate unemployment rates exceed 20%.<sup>32</sup> But

future graduates still are coming to universities at an unprecedented rate and African governments are unwilling or unable to stop them. Why should this youth not demand a place in the university, since they have been told--by the World Bank among others--that they and their nation need to be part of the global knowledge economy or else they are doomed?

A decade ago, one of us pointed out the political processes that this Stalemate produced.<sup>33</sup> Structural adjustment has definitely ended the era where (a) the university graduate could find guaranteed employment in the state or in indigenised corporations and (b) the period of student life was a privileged one. Only a World Bank bureaucrat could be cynical enough to describe contemporary African universities as comfortable places where the children of the elite congregate. CAFA's two-decade long chronology of student struggle marking the hundreds killed, the thousands injured and the tens of thousands arrested in anti-SAP protests is evidence that student life in Africa is arduous and dangerous.<sup>34</sup> But it is also a training ground for many student militants who become inured to conflict with authorities. When they are 'banging on the doors of tertiary institutions' from both the inside and the outside, the World Bank, for one, hears them.

There are many possible exits from the Stalemate. In some campuses of Nigeria it has led to the development of armed student gangs or 'cults' whose members become mercenaries for politicians in exchange for protection and money.<sup>35</sup> In others, as in South Africa, the student movement that was shaped in the apartheid era went into an apparent decline with the end of apartheid but reappeared in new forms based on ethnic identities. As M. C. Dawson writes:

while the South African Student Congress is the dominant organization in the higher education sector, there is a distance between the organization and the majority of ordinary students....In this context it is plausible that cultural organizations have stepped in to deal with questions of alienation among students.<sup>36</sup>

Across the African campuses there has also been a religious revival, of both the Christian or Islamic varieties. But the Stalemate can also lead to an increased re-composition of the African working class and the creation of alliances among its different sectors, potentially the most explosive being that of students and slum and shack dwellers.

A striking example of this re-composition has been the alliance between some of the faculty and students of the University of KwaZulu-Natal in Durban and *Abahlali baseMjondolo*, an organisation that has grown in one of the shack settlements proliferating in the city. *Abahlali's* aim is to prevent the police and henchmen of the local landlords from destroying their shacks and to obtain some amenities for shack dwellers. As S'Bu Zikode, one of *Abahlali's* leaders and a former university student, modestly writes, '[Our movement] will finish its job when land and housing, electricity and basic services have been won and poverty eliminated'.<sup>37</sup>

What is remarkable about this movement is its insistence on the intellectual character of its struggle. *Abahlali* supporters value the epistemological character of the struggle of 'the poor'. Militants bring to demonstrations signs on which they call themselves 'The University of *Abahlali baseMjondolo*', as they see their struggle as the foundation of their education.<sup>38</sup>

The movement has thus provided an often-contentious bridge to the academic world, especially the UKZN, and worked closely with teachers and researchers, creating a complex mix of nomadic intellectuals, institutional academics and students super-positioned between them. The World Bank and African governments fear the revolutionary potential of such a mix, especially if this connection will become a model for the future in Africa universities, as it becomes clear that neither religion nor ethnicity can end pauperisation.

Not surprisingly then on September 29th, 2009 the ANC launched a murderous attack against a meeting of the *Abahlali* leading to the slaughter of its militants and imprisonment of its leaders.<sup>39</sup> One reason why *Abahlali* was a target of attack is due to connections it builds between the 'university of the streets' and the streets of the university, a connection that can unleash tremendous powers. These attacks, however, are one more sign that the Stalemate is breaking down.

It is also important to add that an exit from the Stalemate--emigration--is now put in jeopardy by the world economic crisis. Until recently, about 10% of African university graduates on average have emigrated. Students constitute about one-third of the Sub-Sahara Africa's net emigration.<sup>40</sup> In the case of some professions (doctors and nurses) and countries, the 'brain drain' is even higher:

Almost half [of Ghana's] university graduates have emigrated. And the result? Ghana now has one doctor for every 16,129 people...Of Ghana's medical graduates between 1985 and 1994, half left the country within five years of graduating. Three-quarters had gone within 10 years.<sup>41</sup>

Though a net economic loss for African governments, emigration has been a 'safety valve' for individuals. However, if anti-immigration policies will raise the cost and danger of emigration to Europe and North America, Africa will face a critical mass of trained knowledge workers without wages or prospects.

## HOISTED ON ITS OWN PETARD

All signs point to the breakdown of the Stalemate in the context of the present 'double crisis' of the African university system. The struggle of African students to gain access to university education has forced the World Bank to offer a knowledge 'deal' to the African youth that will have explosive consequences. This is an IT variant of enlightenment discourse, or Diderot with a computer. But enlightenment discourse, as the French revolutionary bourgeoisie discovered, can become incendiary in the hands of those for whom it was not meant, e.g., the Haitian slaves after 1789.<sup>42</sup> By endorsing the 'productivity' of university education in Africa (with all its caveats) the Bank now must face the fact that its rhetoric amplifies the 'out of control' demand for education.

It is easy to see why the World Bank began to take up the cognitive capitalist approach in the mid-1990s. There clearly were changed conditions of production involving the new Turing machines, but it also provided a new ideological justification for the differential 'wealth of nations'. Why, for example, is the U.S. near the top of the ladder and Zambia near the bottom? As long as constant capital was the explanation for the wealth hierarchy, the response from Third Worldist

and Marxist critics of capitalism was that U.S. capital's accumulation was expropriated (directly in the form of primitive accumulation or through more subtle, but equally devastating unequal exchanges) from colonised nations and regions. The U.S. was on top because Zambia's copper is bought through unequal exchange, critics argued. Fela's 'ITT, International Thief Thief' was the political slogan that grew out of this analysis, and the World Bankers had to face accusations from anti-IMF/World Bank rioters, rebels and insurrectionaries that they were imperialists using money not bullets to exploit country after country throughout South America and Africa.

But once knowledge becomes the decisive 'factor of production' and the key to success in the world market then the explanation for wealth inequalities devolve into knowledge inequalities. The U.S. is on top and Zambia is on the bottom because U.S. knowledge workers know more than Zambian knowledge workers. It is as simple as that. Ignorance is not bliss in this economic equation. Human capital, social capital, cognitive capital and other 'soft' forms of capital seem to be excellent ways to undermine anti-imperialist politics, for they explain African people's poverty as a self-inflicted epistemological failure. Consider the following passage (with its telltale ambiguous grammar):

it is only through the application of knowledge that African countries will be able to cope with potentially crippling threats from prevalent diseases, [from?] expanding youthful and urbanizing populations, and [from?] impending climate change. Africa's stock of human capital with secondary- and tertiary-level skills is comparatively small. Its quality is highly variable.<sup>43</sup>

Who is stopping Africans from 'applying knowledge'? Inevitably, the answer has a self-accusatory logic: themselves.

But the World Bank's desire to re-establish control over Africa's universities under the rubric of 'knowledge' has been bought at a high cost. By offering the hope for an African 'knowledge economy' in the face of the evident intensification of the scramble for Africa, the Bank is lending to the very institutions that are operating in ways that are contrary to its core imperative. 'Cognitive capital' rhetoric is literally hoisting the Bank by its own petard through creating the conditions for the collapse of the Stalemate, e.g., through increasing the investment per student.

## NOTES

\*Nota Bene

Unless noted otherwise, the reference group for the statistics in this paper is the set of countries in a region called "Sub-Saharan Africa."

<sup>1</sup> Edu-factory Collective, *Towards*, 3.

<sup>2</sup> Federici, Caffentzis and Alidou, *A thousand flowers*.

- <sup>3</sup> Caffentzis, *The world bank*, 14; and Federici, *The recolonization*, 19-23.
- <sup>4</sup> Pithouse, *Introduction*, xix-xx.
- <sup>5</sup> Mamdani, *Scholars*, 119.
- <sup>6</sup> Barchiesi, *Lean and very mean*, 68-70.
- <sup>7</sup> Pithouse, *Introduction*, xix.
- <sup>8</sup> See for Japan: Ozawa, *Domination*, 181-190.
- <sup>9</sup> Tripp, *Invisible hands*, 2003-2016.
- <sup>10</sup> Sahai, Parithran, and Barpujari, *Biopiracy*, 44.
- <sup>11</sup> World Bank, *Accelerating catch-up*.
- <sup>12</sup> Tamufor, *Need to revise*, 16.
- <sup>13</sup> World Bank, *Accelerating Catch-Up*.
- <sup>14</sup> Cohen and Laporte, *The evolution*.
- <sup>15</sup> Cohen and Laporte, *The evolution*.
- <sup>16</sup> World Bank, *World development report*, 42.
- <sup>17</sup> Bloom, Canning and Chan, *Higher education*, 18.
- <sup>18</sup> Oettle and Koelle, *Capitalising*.
- <sup>19</sup> World Bank. *Accelerating Catch-Up*, 117.
- <sup>20</sup> World Bank. *Accelerating Catch-Up*, 46.
- <sup>21</sup> Federici, Caffentzis and Alidou, *A thousand flowers*.
- <sup>22</sup> Development Economics Research Group (World Bank), *Accelerating catch-up: Synopsis*, 11.
- <sup>23</sup> World Bank, *Accelerating catch-up*, 6.
- <sup>24</sup> World Bank, *Accelerating Catch-Up*, xxvii.
- <sup>25</sup> Prasad, *Body shops*, 317.
- <sup>26</sup> World Bank, *Accelerating Catch-Up*, 43.
- <sup>27</sup> World Bank, *Accelerating Catch-Up*, 72.
- <sup>28</sup> Zeilig and Dawson, *Introduction*, 1-31.
- <sup>29</sup> Akabzaa, *African mining*, 8-10.
- <sup>30</sup> Development Economics Research Group (World Bank), *Accelerating catch-up: Synopsis*, 11-12.
- <sup>31</sup> World Bank, *Accelerating Catch-Up*, 48.
- <sup>32</sup> Development Economics Research Group (World Bank), *Accelerating Catch-Up: Synopsis*, 12.
- <sup>33</sup> Federici, *The New*.
- <sup>34</sup> Federici and Caffentzis, *A brief history*, 139-144; Zeilig and Dawson, *Introduction*.
- <sup>35</sup> Akani, *Campus cults*, 3-15.
- <sup>36</sup> Sikwebu, *A search*, 129-130.
- <sup>37</sup> Zikode, *The third*, 3.
- <sup>38</sup> Pithouse, *Our struggle*, 30.
- <sup>39</sup> See [www.abahlali.org](http://www.abahlali.org).
- <sup>40</sup> World Bank, *Accelerating Catch-Up*, xxiv.
- <sup>41</sup> Colhatch, *Bleeding*.

<sup>42</sup> James, *The black*.

<sup>43</sup> World Bank, *Accelerating Catch-Up*, xx.

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# Reappropriating the neoliberal university for a new putonghua (common language)

**Jon Solomon**

1. This essay combines the sketch of an alternative history about linguistico-cultural development since the colonial encounter with a discussion about the subjective technology of language and education in the context of globalization. Its concrete aims are: 1) to summarize an alternative framework to the understanding of world history in terms of geocultural units and thus articulate a critique of culture as the ideology of capital (a summary of our previously elaborated project in a "biopolitics of translation"); 2) to reevaluate the history of the modern, national university in terms of its role as an institution of translation whose main function is biopolitical; 3) to consider how the neoliberal University sits at a crucial nexus between linguistic value, border controls, and intellectual property regimes; 4) to recontextualize ELF (English-as-a-Lingua Franca) education in light of the implications of a critique of English language as a global model of translation and; 5) and to propose that Qu Qiubai's notion of a non-national, non-imperial "common language" (putonghua) be taken as a figure for the reappropriation of Global English with the eventual aim of a radical restructuring of the Humanities.

2. Four fundamental characteristics of current processes of globalization are producing a major impact on linguistic usage: 1) the reshaping of geographical scale and the changes such scalar reshaping have brought to the institution and practice of borders; 2) the corresponding emergence of organized networks; 3) the central role of technologically-assisted forms of communication not necessarily of a conventionally textual or even oral nature that disrupt linear temporalities and displace the role of "communication" into new relations of production and consumption as well as new forms of life; and 4) the technologically-assisted dominance of global English and the concomitant precarity of other languages.

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My response to the first trend, which requires historical contextualization, is to frame the constitution of modern macro-regions (nation and civilization) through the themes of translation and biopolitics. My hypothesis is that in the aftermath of the massive deterritorialization (or *terra nullius*) unleashed by colonial encounter, translation provided a key biopolitical technique for a reterritorialization crystallizing around the nation-State, penetrating much further into everyday life than juridical theories of sovereignty would normally concede. Henceforth, both political theory and modern linguistics would share the same fundamental assumption of trying, in the words of Italian philosopher Giorgio Agamben, "to clarify something that was already obscure (the concept of people) with the help of something even more obscure (the concept of language)." The result of this obscure confusion, it must be remembered, has been not just political but epistemological as well, forming the basis for the modern national University and the disciplinary divisions of the Human Sciences. Contemporary transformations of a linguistic nature cut across this configuration in new ways.

One fruitful way to contextualize the new sites of social conflict that are shaping higher education would be simultaneously to consider two symptomatic phenomena everywhere in evidence today: first, the ascendance of a single language, English, to a role of dominance in global affairs—including, of course, educational markets; and second, the accelerating disappearance of global languages, particularly acute among indigenous populations, and the general precariousness of languages not officially recognized as State languages and promoted in State educational institutions. Due to limitations of space, this essay must limit itself to the former phenomenon, although there is no doubt that the two are inextricably linked and must be thought together.

**3.** The effects of English language dominance in global affairs are too numerous to discuss here. One among these that is already having a major impact upon social relations far beyond the University is the reorganization of the public/private dichotomy. The association of English with "international" and other languages with "local" contexts imposes yet a new way of delineating "public" from "private" space along a bifurcation into "global" and "local" access (even while the meaning of "global" and "local" are themselves undergoing profound transformation), conferring an implicitly "private" status upon other languages associated with the "local." Ironically, we are now witness to an era in which entire nationalized languages—which were themselves historically constructed as imposed forms of "public" exchange—are becoming progressively "privatized" relative to the "public" use of global English. The recent case in which the Republic of Korea successfully applied to have Dragon Boat Festival, common in other parts of East Asia, recognized as part of its exclusive national heritage under the UNESCO Convention for the Safeguarding of the Intangible Cultural Heritage (2003) demonstrates the extent to which national culture is becoming a form of private property, subject to specific regimes of Intellectual Property Rights (IPR). Of course, the nation-State since its inception was designed to codify the terms of ownership of the "resources" of particular geographical territories, yet it is fascinating to see how the regime of immaterial labor typical of postfordist production is pushing such proprietary claims beyond the conventional, 19th century definition of resources (human, animal, and natural) to extend now to various forms of immaterial and intangible property, including of course knowledge, training, and language. Given the propensity of neoliberal governments to operate as stakeholders for corporate interests of a complex, trans/national nature, eroding the category of the citizen, the collective claims implicit in such immaterial resources stand to follow a similar

logic. The wholesale privatization of language under the influence of global English is occurring at the very moment when postfordist incorporation of a “linguistic model” into the process of production means that language itself is becoming a source of value and even property rights. Undoubtedly this rendering “private” of languages that are now considered to be “local” and ethnicized can also be expected to have important ramifications for the construction of gender, for which the division between public and private has perennially been a major touchstone.

4. It should now be evident that the State is not external to the problems of linguistic diversity and dominance. Just as English language dominance is most often registered as a problem by defenders of other, relatively weaker national languages, the problem of “endangered languages” discussed by advocates of “biocultural diversity” is most acutely experienced by languages outside of State institutions--particularly those aboriginal ones that apparently hold no hope of becoming State languages and yet are subjected to the policies of a single State.

Historically-speaking, it goes without saying that language policy has been a critical tool for the creation of the modern nation-State and a constant site of State intervention. In what has virtually been a universal process (which is to say, no more and no less universal than have been the State-form and the commodity-form in the modern period), modern nation-States have established themselves linguistically by the elimination of difference through standardization--along with the concomitant displacement of minority populations and the appropriation of minority lands. The establishment under the auspices of the modern State of a linguistic standard uniformly applicable to all social classes has rendered language irreversibly political in the modern period. Although the distinction of social status according to linguistic usage (reserving written communication for a small, male elite) was widely practiced by pre-modern imperial, tribal, and feudal formations, it was not until the modern period that both population and linguistic practice became the interrelated objects of juridical and epistemological institutional practices--epitomized by the national school--managed by a single, centralized State sovereignty.

5. The notion of a “biopolitics of translation” which I propose as a replacement for the structuralist understanding of linguistically-determined worldviews acquires conceptual validity and critical importance in light of the specifically modern--which is to say, global--phenomenon of the linguistic standardization associated with nationalization and colonial land appropriation, and the concomitant effects these processes have had upon humanistic knowledge. Ever since the concomitant birth of philology and biology, modernity has been associated with the advent of a global cartographic imaginary that places peoples with no prior “memory” of migratory contact, or only “deep memory” such as etymology, into relation through the mediation of an imperial center. As the transition to a global form of spatial imaginary, *modernity* begins, linguistically speaking, when the project of standardization is extended across all manner of social differences to encompass diverse populations in the process of national homogenization (which occurs, as Jacques Bidet argues, on the level of world *system*) and domestic segmentation (which occurs on the level of “class” difference or *structure*). This process must be seen, in turn, in the context of contact with other global populations undergoing the same traumatic process of systemic definition and structural segmentation. The *biopolitics of translation* thus names that space of exchange and accumulation in which politics appears to have been preempted by the appearance of two new objects of knowledge, population and language, assumed to be intrinsically related.

When “translation” is understood according to a representational scheme of the epistemic subject, it names not the operation by which cultural difference is “bridged,” but rather the pre-emptive operation through which originary difference--what is encountered when translation is understood as an act of social practice--is segmented and organized according to the various classificatory schemes of bio-anthropological knowledge emerging out of the colonial encounter. In order to unpack the contemporary implications of this convergence, it is necessary to remember what the perspective of *translation* teaches us: each individual State language in the modern age (there are only 225 of them) is not the autonomous, organic creation of “a people,” but the *arrested result* of an essentially transnational governmental technique--the subjective technology of translation that configures languages in order to distinguish them--aimed at population management. Research such as that undertaken by Naoki Sakai has shown that the very category of national language, crucial to the biopolitical formation of global populations under the system of nation-States, must be understood as a product of translation. National languages do not precede the translational exchange, but are in fact predicated upon it. In fact, to speak a national language is to speak through the mediation of translation even when one pretends to speak without it. Seen from this perspective, the modern regime of translation is a concrete form of “systemic complicity” (in the sense of “world system”) whose primary function is population management within the purview of capitalist expansion and imperial domination. In other words, it is a globally-applicable technique of segmentation aimed at managing social relationships by forcing them to pass through circuits on the “systemic” level. In Sakai’s research on the transnational discursive structure of both Japanese studies and the institution of the Japanese Emperor system, or again in the relation between imperial nationalism and the maintenance of ethnic minorities, we learn that the geography of national sovereignty and civilizational difference that constitutes the geocultural and geopolitical map of both the world and the Human Sciences indicates an important kind of subjective technology or governmental technique that has, until recently, been thoroughly naturalized by an anthropological discourse of “culture.” Looking at the history of modern linguistic transformation, postcolonial writers have shown not only how the colonial and postcolonial State mobilized language in the creation of “invented traditions,” but also how the establishment of national literary and linguistic traditions--such as the notion of “English” literature and its corresponding canon--in metropolitan social formations originated as a technique of colonial governance (as, for instance, the British experience in India reveals) that was subsequently imported into the metropolitan nation in order to manage domestic class relations in the midst of revolutionary demands for universal suffrage. It is only today that we can begin to see how a multiplicity of disciplinary arrangements forming an economy of translation (in place since the colonial era but far outliving colonialism’s demise) actually produces differentially-coded subjects, typically national/civilizational ones, whose constitution is interdependent and, at specific intervals, actually complicit in a single, yet extremely hierarchical, state of domination. We have thus traced a series of genealogies within which “translation” is no longer seen as simply an operation of transfer, relay, and equivalency, but rather assumes a vital historical role in the constitution of the social.

6. This critique of translation as a contingent form of social production forces us to reconsider the historical role of higher education. The birth of the national school, without which the institution of nationalized language could not have been realized, has played a crucial role not just in

the creation of a homogeneous national population speaking a standardized language, but also in disseminating knowledge about what the difference between nations (as a factor of linguistic and anthropological difference) means. No institution epitomizes this role more than the modern University. "The University of Culture," described by Bill Readings as one of the two great models of the modern university (the other being the techno-science model), must in fact be seen as an *institution of translation*. It is a *national* institution of translation charged with the task of "translating" all knowledge into and out of *nationalized* idioms while at the same time legitimizing in a general way the domestic (i.e., *nationalized*) division of labor at the basis of social class. Its very purpose, beyond the actual content of translation, is to institutionalize and regulate the ratio that constitutes the paradigmatic quasi-object of modern spatiality--those complex models of thought + world that we know as geocultural regions or civilizational worldviews. The normalized form of "national culture"--which Sakai maps through the relations among Japan, the West, and the Rest, as well as minorities within each--emerges through globally-codified relations of domination, or cultural translation, typically carried out in universities.

7. Professional (that is, "organic") intellectuals are the translators, in a sense that goes far beyond the rendering of specific texts: they are the ones who fashion the forms of expression. They not only make them fit over the functional requirements of international exchange, they also substantially embody or "wear" those forms, becoming institutionalized forms of "knowledgeable bodies" essential to concrete social production. The subtle negotiations of that fit and fashion--what constitute a certain plasticity of social bodies in general--are then called "culture." Typically national formations of culture repress differences such as the indeterminacy of the translator and the repression of both historical difference (ethnicity, class, and gender) and the fluidity (or inherent difference) of these differences in the modern era. By the same token, professional intellectuals are also the ones who take the operational knowledges of the international exchange society and render them into the terms of a national class system, where any resistance can again be called--but this time in a derogatory sense--"culture" (i.e., cultural burdens, cultural idiosyncracies, cultural atavisms, etc.)

The attitude of *ressentiment* everywhere in evidence today on the part of intellectual-translators reveals an obvious contradiction. Imprisoned within the particular international rank-order achieved by the economic performance of their national class-structure within the world system, they would naturally resent that which helped cement the overall order, both at home and abroad--namely, their own, usually unacknowledged and even unnamed, activity as cultural translators. If anthropological difference coded as cultural translation is the reigning ideology of the postfordist imperative to communicate, one must pay particular attention to the way the subject of knowledge, formed in the crucible of disciplinary and linguistic codifications still indebted to the legacy of colonial difference, is particularly prone to communicate according to a restricted economy of *ressentiment*. This is not so much a problem of colonial psychology in the Fanonian sense, but rather a restricted economy of return that characterizes subjective formation according to any number of disparate practices from language to economy that establish exceptions in order to exclude certain forms of difference. According to the trajectory of return, one is always either a recipient or a supplier in relations of exchange. What is excluded are what contemporary economists refer to as "externalities," what historical economists refer to as slave, migrant and other "irregular" labor, or what Sakai shows is the essential hybridity of the translator.

What Sakai suggests is that there is a both a constraining discipline and an emancipating politics of translation for those placed between the national class-structures and the global exchange-systems organized around geocultural regions. In terms of a constraining discipline, intellectuals are called upon to translate not just content specific to other cultures but, most important, the general rules of international exchange. Even as we, in our role as translators, adapt concepts and images to the needs of the local class structure, we are also contributing to the solidification of a segmented structure analogous to class in the emerging global-State. We can resent this role as translators, and then resent the whole “verbiage” of intellectuality which we have made into our trade; this sort of posture regularly leads intellectuals to privilege either a site of “real struggle” in “the outside world” while abandoning “theory” as a site of struggle altogether, or else to retreat into esoteric, aestheticized representations incomprehensible outside of a professional caste. Rather than adopting either of these approaches, which seem to me to preserve, in spite of great differences, the exceptional role of intellectuals as mediators and distributors of the heterogeneity between world and knowledge (a role that ultimately institutionalizes the role of elites, regardless of which side one is on, by denying the relative autonomy of specific social practices), we can instead set about using the tools of the trade to work against its normalized effects. But how to go about that?

8. Naoki Sakai presents a very interesting answer, which concerns a kind of translocal, translanguistic practice, a practice which is both contextual and respectful of the “foreigner” in all of us. In the face of sophisticated discourses embedded in university institutions, what could be asked each time is how could this material be used to overcome the causes and effects of capitalist imperialism? And if it is potentially useful, then how can it be translated against the grain of whatever class structure one is in, with its particular hierarchy of inclusions and exclusions, signified and covered up by its particular culture? And if those counter-translations have been done, then how could they in turn be exposed to heteronomous translations from elsewhere?

These questions would require us to reconsider how we typically translate and naturalize certain discourses, particularly by fetishizing a proper name the better to forget the real situations and processes from which it was subtracted. But instead of just leading back to infinite deconstruction, white guilt, or subordinated *ressentiment*, the same questions also point toward a possible development of cultural dreams, organizational forms and productive techniques that could help people everywhere to survive the transition to a world society. Intellectuals are not required to perform the heroic role of architects and social engineers who provide blueprints for the whole of society--in fact, such a role amounts to little more than a self-aggrandizing hallucination; but, like every other kind of laborer, they can respond to the specific situations of their trade (which includes *both* the temporality of embodied social relations *and* the abstractions of knowledge about social objects), develop corresponding autonomous responses, and then translate them into other situations.

9. Let us take the example of English in the current restructuring of higher education in Taiwan. A combination of government policies, market trends, and intellectual dispositions inherited from the colonial/imperial modernity have resulted in global English acquiring the de facto status of official language for higher education in Taiwan (e.g., promotion for junior faculty is more

and more dependent upon publishing in SSCI-listed English journals; the point system used for reviewing faculty performance accords much higher weight in general to publications in English over those in Chinese; more and more degree programs are being designed to be taught in English; undergraduate education at many schools now incorporates mandatory on-line e-learning courses (in English) with an anglophone correspondence university; graduate students in literature and language programs other than English are required to take additional courses in English; etc.) In short, global English is essential both for the accreditation offered by the system and for promotion within its ranks. Evidently, this combination of policies leaves the Taiwanese university system dependent upon the globalized anglophone educational industry. Innovation implicitly can only occur within this locus. As a result, we can predict that Taiwanese institutions of higher education will be completely unable over the long term to preserve autonomy vis-à-vis the aggressive expansion of anglophone universities in east Asia (and elsewhere) described by Andrew Ross. Similar developments are occurring elsewhere in east Asia, notably in South Korea and the People's Republic of China. As we witness the emergence of transnational chains of higher education, we should begin to think about what it means and where the possibilities for creative transformation lie.

**10.** Under the regime of colonial/imperial modernity, it was assumed that the rationale for Institutions of National Translation such as the University of Culture lay outside those institutions (residing most likely in the State, or, depending on one's view, the nation). Today, however, the supposed exteriority of the university (vis-à-vis the putatively "organic" interiority of national language) no longer matches the needs of the postfordist economy for flexible accumulation across different linguistic markets. As the value of the Humanities declines, linguistico-cultural training is becoming their sole reason for existence. Especially in non-elite, second- and third-tier universities in geographical locations considered peripheral to the centers of innovation, the function of the Humanities is being retooled towards imparting a set of linguistic and cultural skills considered necessary to the Creative Industries in a global environment. As Brian Holmes remarks, "identity formations are encouraged as stylistic resources for commodified cultural production, with the effect of deflecting the issues away from social antagonism...Using the enormous resources concentrated by the major commercial media--television, cinema, pop music--regional cultures and subcultures are sampled, recoded into product form, and fed back to their original creators via the immeasurably wider and more profitable world market." As the Humanities are restructured into the function of cultural "sampling," the University preserves its former importance as an Institute of Translation, but the operation of translation is displaced from a national subject of citizens rights (and the non-rights of non-citizens) to a cultural subject of intellectual property rights.

We often hear that under the postfordist regime, language (communication) is immediately productive. This is most easily seen in universities in the construction of elaborate bureaucracies of "quality assurance auditing," which require a constant input of labor--much of it by un(der)paid graduate students--in order to notch up ratings that garner more revenue. But it is also to be seen in the use of global English, which like computer science and biotechnology, contributes directly to the valorization of capital and labor in diverse processes of production. In line with these developments, the differences between global languages are now being incorporated directly into the university through global English as a model of translation; thus it becomes an organizing

principle for *both* the value of knowledge *and* the cartography that maps knowledge onto regions and anthropological difference.

The multiplication of class differences by linguistico-ethnic, as well as gender and racial, differences forces us to rethink both the Foucaultian notion of the university as a site of discipline and the Althusserian notion of it as an ideological state apparatus. What neither Foucault nor Althusser foresaw was a situation in which entire languages--the products of nationalization now subsumed by the emerging global-State--could in themselves become ideological beyond the determinate content of communication. (And here we could, with sufficient space, explain how translation constitutes the exact linguistic situation most likely to reveal the rift between communication and address, content and the event of language, essential to every instance of linguistic communication).

**11. The problem is not that global English is coming to dominate the higher education market, but rather that English language has insinuated itself as an implicit model of translation.** It is precisely as a model of translation that global English operates in tandem with the proliferation of "class"-like codings of anthropological difference internal to the emerging global State and crucial to the management of university markets. It is this articulation of translation to anthropological difference internal to the globalizing education markets that must be addressed, utilized and transformed. **In other words, we should use the internalization of global English as a model of translation as a point of departure to forge new subjects capable of engaging in a new social contract** (pending revision of the entire concept of "contract" beyond the obviously failed model of rational consensus). The "nomadic university" of the future should take full advantage of the specificity now being accorded to the biopower of language *within* the university system in order to effectuate a biopolitical transformation that could be exported or externalized.

**12.** Discussions of global English dominance have intervened largely in the cultural and educational spheres, where they tend to divide into either a defense of national linguistic markets or a celebration of international ones. Proponents of some of the interesting utilitarian variants, such as "Globish," argue that a lingua franca based on simplified English usage can effectively combine both aims of promoting international exchange and defense of national cultures. Pro or con, the supposition of national forms of organization continues to underlie many of the best critiques of English-language dominance and neoliberal market universities. we must ask if this is not because they share the assumption that language and linguistic difference correspond--naturally--to anthropological difference? Normally, the assumption of putative linguistic unity will efface differences due to gender, "race," and class in the socio-linguistic formation.

Now is the time to consider the revolutionary potential in an idea gaining ground within linguistics and language pedagogy to distinguish English-as-a-native language (ENF) from English-as-lingua franca (ELF). Drawing from the historical experience of radical linguistic experiments in early 20th century such as Esperanto and Basic English, Barbara Seidlhofer, a linguistics professor at the University of Vienna and a major proponent of ELF, notes the advantages of subtracting the assumption of a native/non-native, authentic/inauthentic dichotomy from transnational linguistic exchange. Seidlhofer argues that ELF is not only an effective pedagogic tool enhancing possibilities for rapid linguistic acquisition, it is also capable of shifting the focus in linguistic training

from “instrumental pay-off in terms of practical communicative skills [to] long-term humanistic, pedagogic objectives.” I would like to highlight Seidlhofer’s initiative, in which I detect a counter-practice such as we described above. Against the corporate-state-social science nexus that is commandeering the University towards exclusively market-oriented temporalities, Seidlhofer’s promotion of a ELF as a form of social relation no longer based on the assumption of an identity between language and people is potentially revolutionary.

ELF intervenes--perhaps for the first time in the history of the modern University--precisely upon the foundational modern link between language and anthropological difference. Although this was not the goal of its early proponents, ELF undeniably offers pedagogical and critical elements that would be crucial to an institutional reformation of the disciplinary divisions inherited from the 18th and 19th centuries. This reform, as I envision it, would be a departure from both “area studies” and “national history”; foreign language departments as well as national ones. In short, it would be the end of the principle of homolingual address as the organizational basis for both the disciplinary divisions of the human sciences and the nations of the world. Premised upon removing language from the foundational oppositions of native/non-native, grammatical/non-grammatical, authentic/inauthentic, etc., that have structured modernity’s notion of geocultural regions, ELF proposes a radical pedagogy of the Common. Although there is certainly the possibility that ELF will merely reinforce these oppositions by displacing them onto other languages now being privatized by the dominance of global English, we cannot overlook the potential for innovation.

**13.** In lieu of conclusion, I would like anecdotally to refer to the example of Qu Qiubai (1899-1935), a former leader of the Chinese Communist Party during its pre-Maoist days. During the 1930s, after Qu left Party Central, few writers familiar with the colonial situation approached the possibility of creating a new people with as much innovative vision and revolutionary passion as Qu Qiubai. The heterogeneous population of migrant labor living in Shanghai under conditions of extraterritoriality and primitive accumulation provided the template that enabled him to articulate surprisingly creative solutions to the problems of culture and communication. Among these, Qu’s proposals for the formation of a “common language” that is neither national nor imperial but open to the future of a society constructed through migration, translation, and reappropriation of the means of production stand in a singular light.

Qu Qiubai presents us with a writing from the anomaly that attempts to wrest bodies out of their imprisonment by the burgeoning codes of grammar, law and value. It is a writing that does not take the anomaly as its object, but rather embraces the anomaly as a point of departure from which to build a future beyond both the disciplinary strategies of primitive accumulation and industrial production and the subjective techniques of social normalization condensed in the modern nation-State.

The anomaly consists, initially, in the revolutionary conjuncture of Shanghai in the early 1930s: the “permanent state of exception” formalized by the protocols of extraterritoriality; the overwhelmingly migratory background of its burgeoning population (approximately 80%); the lack of a lingua franca; the substitution of police force for sovereignty; and the articulation of politics with policing and policing with the disciplinary care of life. Qu’s response to this conjunctural

anomaly was to approach it from the ex-position of a revolutionary subject-still-to-come (sujet-à-venir) rather than the supposition of sovereignty derived from capitalist recomposition via colonial governmentality. Faced with the anomalous mixtures of spaces, populations, grammars, and values, that characterized the transition from a multicultural, multilingual imperial entity ("the Qing Dynasty," 1644-1911) to a modern nation in a world system of States ("China," 1911-), Qu Qiubai understood that to grasp this process by reference to the figure of return would serve only to sustain the miserable domination of the present into the future. Instead, Qu takes the predominantly migrant population of Shanghai as a clue for turning the anomaly into a new situation. Henceforth, the anomaly is not an exception that reinstates the rule, but the point of departure from which to break out, diagonally, of the stranglehold of mediation between the two. From this perspective, the only real anomaly is the oscillation between rule and exception that masks the capitalist system of accumulation-through-expropriation behind an ideology of national culture. Qu Qiubai was one of the first to sense that just as national culture is the ideology of capital, translation is one of its main subjective techniques.

Just as in Qu's time, the task ahead of us today remains that of asking how we can effectively appropriate linguistic elements from the global domination for the creation of a truly common language? The struggles in the globalizing university marketplace would seem to offer one of the places from which to start.

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# In the business school

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Writing of the Athenian envoys cited by Thrasymachus in Plato's *Republic*, Simon Blackburn says they were 'the Machiavellian men of *realpolitik*, knowing they lived in a dog-eat-dog world and adapting themselves'.<sup>1</sup> They were, he concludes, 'the direct ancestors of blitzkrieg, terrorism, the worship of the free market, and the ethics of the business school'.<sup>2</sup> This is the company the business school keeps for many humanities scholars in the universities, and for many on the Left. The business school is said to profane the university even as it turns out an army of the faithful. It produces students who have no moral compass and academics who have no moral compunction. And now with the present crisis in finance capital this verdict would seem to be vindicated. The mainstream press attributes this crisis, more often than not, to a culture of individual excess and greed, for which the ethics of the business school are said to be at least in part to blame. Many in government agree. 'Wall Street got drunk', said the first MBA President of the United States, disapprovingly. And if the current gallery of rogues in the City of London and on Wall Street did not learn their selfish ethics directly from the modules of business school, then this curriculum certainly did nothing to prevent the development of these gargantuan appetites for profit and lies. The lesson is that business schools, like the capital markets, will have to change their ways.

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All of this may be true. This rampant ethics of capitalist desire is certainly on display for all to see. But as Marx admonished, it is not for a worker's movement to inquire into the desire of the capitalist, but rather, into his power. If there is a certain ethics in the business school today this cannot be connected only to what business scholars want, what they desire for themselves and their students, but also to what really goes on in the actually existing business school. It might be worth asking, therefore, something about the material position of the business school today, if only to inoculate ourselves against the infection of moralist analysis reaching epidemic proportions in the present crisis. That the business school dreams of helicopter rides and crates of champagne ought to be of less interest than the relationship

between these dreams and the way teachers and students in the business school actually get to school, what they do there, and what they really drink with dinner, but also, to the way these dreams are connected to what gets done in the university, and increasingly, in the metropolis. Such an analysis might not so much put the business school in better company as put us in worse. But it may also tell us something about the way academic politics and the politics of the moment ought to be thought together. This is a bit counter-intuitive in a moment of crisis with all the urgency it is supposed to thrust about our analysis, and it is perhaps always a bit suspect for some on the Left who will want to maintain some kind of border patrol between academic politics and real politics.

## ACADEMIC CAPITALISM

But I would suggest now especially we should be wary of enforcing any such separation, not only because this crisis hastens a new phase in what Sheila Slaughter labelled academic capitalism, but also because this is just what the current managers of the crisis on behalf of the capitalist class are indeed trying to reconstitute. There will be regulation certainly, although readers of this journal will already suspect this regulation will fail. But there will also be an answer to the verdict on business schools. They will be rehabilitated to teach a new morality to future business leaders, as the business schools like to call their students, and this morality will be carried by these future leaders into the world of business. Eventually this will make the world safe again for de-regulation, and the return of self-regulation, both at the level of the bourgeois self, and at the level of the fictive self of the corporation. This is the conversation going on in my business school, at one of the college's of the University of London, and among deans and heads of business schools across the U.K. and the U.S.A. The solution they desire is for the business school to restore its imagined relationship with the profession, understood as business leaders, not mobile phone outlet store managers.

But behind this desire in the business school lies the actually existing business school. And this actually existing business school is less a site of capital, than it is a site of labour, less a site of capitalist desire, than worker necessity. This ought to become even more obvious as this finance crisis becomes a recession. Because one of the innovations of the business school is that it provokes labour to warehouse itself. When capital sheds educated labour in the contemporary Anglo-American world, educated labour responds by doing two things that benefit capital. It warehouses itself, ready to work but not causing trouble, keeping the price of labour down, and it goes further into debt. The business school is first and foremost a place of surplus labour that nonetheless spends on tuition, books, and sometimes accommodation. But this only begins to tell the story of labour in the business school, much less the story of the business school in labour, about which I will say more shortly.

This innovative self-warehousing occurs in the post-graduate programmes of the business school (and of course not just that school alone). But a more traditional state-led warehousing and preparation of labour occurs in the undergraduate business programmes. Although when most think of the business school, they think of the post-graduate MBA, this degree is in probably terminal decline, replaced by more specialist degrees at the post-graduate level. But this image of the MBA is also challenged by the expanding classes of undergraduates. The colleges of the University

of London each enrol hundreds of such students on undergraduate business and management courses each year, and many more undergraduates take optional courses in business and management. By some estimates something like forty per cent of undergraduate students in U.K. universities are in business or business-related programmes. This is the reality of the Labour government's push for higher education for half the population. Labour policy, such that it is in Britain, runs through the business school.

The story in the U.S. is more integrated. One does find classes of eight hundred undergraduates pursuing degrees in business communication in the big state universities, but as Christopher Newfield nicely documents in his book *Ivy and Industry*, the humanities were always to act as part of a business education. Newfield notes that the liberal humanist education at the heart of undergraduate liberal arts programmes in the United States have long fed what he coins 'managerial humanism'.<sup>3</sup> In Europe the situation remains mixed owing to historic importance of state administration and the persistence of industrial engineering, while the rise of the business school in so-called emerging economies requires a separate discussion. At any rate, most visibly in Britain what we see is that not just the business school, but the university in the presence of the business school, starts to look very baldly, and to some very embarrassingly, like simply an extension of labour policy, whether obviously mediated by the state or not. Now interestingly, the students of the business school often seem to irritate academics in the rest of the university precisely in the moments when these students know themselves as labour, when they want to know only how to be employed, or what they need to get a certain mark, or when they treat everything between them and this knowledge of themselves as labour as instrumental. The work these students do to produce themselves in their university years often looks to be entirely in the service of selling themselves to capital. This is the profane moment, although anyone on the Left must feel at least vaguely interested in the opportunity that arises from this open identification with wage slavery.

But of course for the staff of the business school, and indeed for many in the university administration, this moment of self-identification with wage slavery is what must be ennobled, and in an enduring contradiction, reinforced during the warehousing chiefly through the style of pedagogy. It must be ennobled not for any vague reason of status, or social capital, or professional responsibility, but for the very real, if usually unrealised, reason that this warehouse is also a university. It remains possible, against all the odds, to have a conversation in the university about what it means to hire yourself out to capital. This would be a disaster we are told, for these young business leaders most of all. So it is to be expected that the supposed desires of these young business leaders are used against any such threat. One is told that thinking about themselves as labour is not what they want and at any rate such a consciousness would make them toxic to capital. This is the discourse of relevance, skills, and real world experience that most business school academics inhabit, in another contradiction, as they could not possibly ever possess these things sufficiently in the fast-paced world of capitalism they conjure. The logical conclusion is that students ought only to be taught by Richard Branson by shadowing him on a work day, to ensure he himself remains relevant by remaining on the job. And if this contradiction were not obvious enough, the style of pedagogy, the first contradiction, reminds the student that what is really relevant, what is really skilful, is to prove to the real world what university education always proves (at least): that the student can follow arbitrary authority, endure boredom, and compete against others.

Now all of this might be a worry in the actually existing business school but for two other factors. The first is business scholarship and its genuine peculiarity, and second is business scholars themselves, and in particular their employed by the university. These two factors prevent any discussion of the business school as a site of labour from slipping past all the power point slides on relationship marketing, co-opetition, and co-leadership. These factors allow the most abrupt judgements on technocratic relevance to sit beside a kind of fantasy football in which students are encouraged to see themselves not shadowing Richard Branson but sitting across from him at the negotiating table.

## THE BUSINESS SCHOOL IN UNIVERSITY

The first of these factors is what, finally, does distinguish the actually existing business school from the rest of the university. As much as the business school sits at the heart of the university, shares students, shares strategic plans, shares, in the U.K., Research Assessment Exercises, and most importantly shares with other departments a site of free enquiry, self-development, and auto-education that is too rarely invoked, there is something that does remain different about the business school, perhaps uniquely. And here I must make an analogy with the point Eric Hobsbawm made about the fall of the Soviet Union, that somehow, despite its failures, the Soviet Union occupied a space that could be filled by the desire for communism, by something that was not capital.<sup>4</sup> As Marx said, the real not-capital is labour and as long as that space was not capital, there was always the possibility of imagining that space as occupied by labour. Business studies has no Soviet Union. I do not mean this directly obviously. Anthropology has no Soviet Union today either. But anthropology, or literature, or physics, can imagine itself in the kingdom of labour, however transformed, and even if it too rarely does. Business studies cannot think communism without thinking its own abolition. Whatever the occasional obfuscation emitted from the business school that it merely studies complex organisations, business scholars know their house is built on capitalism. However nuanced the scholarship in the business school may be, it faces a kind of absent constraint. Certainly much literary theory, much ethnography operates comfortably in the bourgeois world. But that is not the point. There remains another world for these scholars, whether as threat or potential. For business scholars, this is the only possible world.

This enforces a kind of discipline on business scholars that they can impart on their students, and it is the most effective kind of discipline because it emerges naturally, as it were, from their scholarship and thus appears not only organic to their thinking but tied to their sense of themselves as part of the guild of university academics. But this disciplined insistence on this site of labour as a site of capital would not work if this scholarship were then undermined. In other words, if this scholarship with its insistence on the limits of possibility were to appear to the students, or to the scholars, as merely ideological, as not emerging from the genuine practices and experiences of the business school scholar at work, which is to say ideological in the durable Marxist sense, it would far less effective in producing this site of capital. And this is always the danger, that business scholars will be forced to recognise the university as little more than another workplace, a danger which, as with the business students, is always closer to the surface precisely because of the instrumental ways in which the discipline links itself to the market. It is dangerous not because a well-paid business school academic might begin to think of himself as an exploited worker, something I have seen happen but for which we can only have contempt. No, what would be

intolerable would be for business school scholarship to lose control of its destiny, for this act to be mere capitalist work.

Because what is visible in the 'ethics of business school'--belief in survival of the fittest, belief in self-promotion and self-creation, belief in competition, belief in the individual and rational decision--relies for its own faith on the daily work that goes on in the actually existing business school. In other words, it relies on enactments of scholarship and teaching that appear to prove this ethics. Readers who engage in scholarship may wish to distance themselves from this portrait. But the business school and the university bear an uncanny resemblance here. After all, university scholarship was organised and understood largely along a guild model, a capitalist guild model. If the business school scholar is often cited for a vulgarisation of the craft, it is nonetheless a vulgarisation of a common understanding of craft, shared by many scholars beyond the business school.

## THE UNIVERSITY AGAINST ITSELF

We know this model persists in less vulgar forms far beyond the business school simply by noting infamous reactions to any attempt to point out that the university is a modern, industrial and increasingly post-industrial workplace. Think of the infamous Yale University strike in which the professoriate with only a very few exception lined up against striking workers. Or the ongoing battle at New York University to unionise post-graduate students who teach at the university. Large numbers of faculty continue to insist that the relationship of these exploited graduate student-teachers is one of apprenticeship to the university not wage labour. This is to say nothing of the history of militant scholarship linking the university directly to corporations and to the military, flaring recently in the U.S. military's attempt to recruit social scientists into its Human Terrain Programme. All of this would seem to point to a destiny much more bound up with the struggles of others and thus with some kind of solidarity. That scholarship is a kind of work, relying on the cooperation of others and subject to exploitation does not mean there is nothing special or important about this kind of work, but even conceding this much has not always been easy for those who teach and research in the university. And although this question of scholarship as work is not a novel one, it takes on new importance in any consideration of what is going on in the actually existing business school.

Business scholars might be thought to be least captured by such an enchantment of scholarship, although the seriousness and defensiveness with which business scholars approached the national Research Assessment Exercise in Britain, betrays some level of enchantment. But working in the actually existing business school means that for all the effort to bring the business school close to capital, the signs of labour--the industrial scale of teaching, the de-skilled students returning to the lecture hall, and the exchangeability of research products like journal articles--labour never quite disappears from view, and this can be a problem for the desires of the business school, for its ethics. However it is a problem that is ameliorated by this second factor, which comes into view particularly with the current crisis. With finance capital in Britain falling down around the ankles of the state, what stands in for industrial policy in Britain takes on new focus, and as with its perverse labour policy, this industrial policy too centres on the business school. Many may have laughed when Prime Minister Gordon Brown announced his government would give out

free theatre tickets to young people in the midst of this crisis of finance capital. But they did not laugh in the business school. The creative industries are taken with increasing seriousness in the business school. Putting culture to work may or may not solve a problem for the Labour government, but they do solve one for the business school.

The creative industries assure the business school that individual creativity, expression, and opinion are not just compatible, but through the trope of entrepreneurship, essential to free markets, competition, and profit. What better way to shore up the doubts of business school scholars who in their weaker moments might see the business school as nothing more than the place they work, and the students as nothing more than warehoused workers in their tens of thousands, not future business leaders? The actually existing business school has embraced entrepreneurship as the guarantee of authentic authorship in the market and in the university, and with the creative industries, whose definition for the university runs from theatre all the way to the use of the arts in medicine to simulation games combining physics and economics, entrepreneurship now replaces excellence as the key organising principle not just of the business school, but of the university. Reassured through the creative industries that the scholarship they do in the university remains that of the individual entrepreneur not the bureaucrat or the manager much less the post-fordist worker, business school scholars are set to lead the enterprise in the university.

## THE UNIVERSITY IN THE BUSINESS SCHOOL

To attend a conference in the business school today is not to listen to questions of differentiation, of markets or products, but of difference, and as likely as not a citation from literary studies or even post-structuralist theory will confirm that this conference is indeed about difference not differentiation. To listen to a scholar from London Business School or Manchester Business School give a keynote at such a conference is to listen to an analyst who will tell you that management is discursive, that it is culturally relative and malleable, and that organisations are about power. There will be calls for a critical approach to the matter. Indeed, seven hundred such business school scholars gathered last year in Manchester under the banner of 'critical management studies'. Amid all the talk of the business school taking over the university, the university's influence on the business school in these conferences seems equally apparent. And the importance of this cross-fertilisation at the level of securing the practice of scholarship in the actually existing business school cannot be underestimated.

Still it is true that business school ethics have entered the university particularly through the idea of entrepreneurship, which has replaced the term excellence identified by Bill Readings, itself a term that circulated widely in popular management before resting in the university.<sup>5</sup> In the era of the creative industries where not just differentiation but difference is said to make money, that is what is truly unfamiliar, surprising, said to be unique, unrepeatable, even uncomfortable, the term excellence has the awkward and already old-fashioned ring of the general equivalent about it, of the very possibility of comparison that the incomparable entrepreneur seeks to escape creatively. Now in fairness to Readings he made the point that this general equivalent was particularly difficult to measure and thus quick to appear manipulated. Nor has excellence gone away, as for instance in the spectacle of the RAE. But the university has taken from the business school this notion of entrepreneurship and set it to work, on its own workforce, both teacher and

student, and on arts, humanities, and sciences. Finance may have given entrepreneurship a bad name recently, but tied to more venerable forms of scholarship, entrepreneurship remains the bet on the future.

But it is not just between the business school and the university that the creative industries flow today, powered by a new form of energy called entrepreneurship. As David Harvey pointed out several years ago in an important article called *The Art of Rent*, the city, whose population was once the physical embodiment of the general equivalent, is today being re-branded as the space of difference.<sup>6</sup> Today working class neighbourhoods are renamed as unique spaces of urban experiment, attracting what the American policy guru Richard Florida calls the creative classes.<sup>7</sup> Brecht said art was a weapon but today it is a weapon against solidarity because of course the other side of the general equivalent was precisely the sociality of such working class neighbourhoods. The emergence of the creative industries is the coming together of capital and labour on the pretence that it is not the exchangeability of labour that capital values, but its irreplaceability. This may work as a new spatial fix for capital, something that would seem particularly important in light of the failure of finance to sustain investment, but it does not work as a form of command over labour. If the designer, the artist, the performer, the scientist, the critic, the scholar, or the student, were really different, were really valued for their difference not their equivalence to the degree the creative industries declare, it is hard to see how capital could maintain its hegemony over labour. Enter the university. Or not quite the university but rather what we might call the Metroversity.

## METROVERSITY

If one were a manager in the creative industries faced with this idea that it is difference that creates value in your industry, and your workers who create difference, where would you turn for a model of management? The answer is not just the actually existing business school but the actually existing university. Here one finds increasingly not so much self-management, so-called faculty governance, but the management of all by all under conditions of market pressure. Each judges the others contribution to original scholarship but now under conditions of getting grants, and attracting new students from China, and creating spin-off companies. Yet each holds to an idea of craft, to the hope of some real difference in work that against the evidence is really his or hers. Even departmental democracy can be transposed to workplace participation, where in fact a few professionals make decisions about a much larger workforce; in the case of universities this workforce is the students, who after all are not just the bulk of labour in the university but who do the bulk of labour, and in the case of most creative industries this a workforce of interns, volunteers, administrative assistants, technical assistants, and even audiences.

But it is not just this model of management that characterizes the Metroversity today but also what Paolo Do of the Rome-based collective Edu-factory calls the new command over knowledge, that is, over the product of the creative industries.<sup>8</sup> As no capitalist enterprise would willingly submit itself to a free market when it could determine what that market values instead, so the creative industries will employ the university to fix value in certain knowledge, certain expressions, certain representations, certain media. Where better to turn than the university to fix such a market? It is already adept at ranking such things and has, already in place, a model of management to do it. The Metroversity will not mean the end of the university, or the end of

other industries in the city, although increasingly those will point like magnetised filings in the direction of the creative industries. But it does mean that the university as a site of something that Fred Moten and I have taken to calling simply 'study', to point to a collective activity of learning not geared to an outcome, becomes increasingly endangered.<sup>9</sup> But perhaps more importantly for the metropolis, perhaps for society as a whole, it means a new struggle has opened up around the very possibility of creativity. This is not the old struggle around the commodification of art which now appears almost quaint, but the struggle to resist every act of creativity being already and immediately also capitalist work. To risk not the products of creativity but the creative act itself means first and foremost the need for a new kind of vigilance around the term itself. There is already an expression of this threat in the American business school where they say, 'the MFA is the new MBA'. Schools of Creative Industries are swallowing arts and humanities programmes whole from Wales to Washington, placing them at the service of everything from business innovation and creativity in the workplace to new intellectual property rights and the protection of this creativity.

These new formations in the university will make the ordering of arts and humanities knowledge, its valuation, more stream-lined and accessible for the structuring of markets in the creative economy, and especially for the structuring of labour markets. A new labour process crossing the university formations and spreading out across the neighbourhoods of the creative classes is being forged. Without the fences and plate glass of factories and offices to produce capitalist time and space, the forging of this labour process is hazardous, but again the model of the academic who is never 'off-duty' and whose research, no matter where it takes place or when, belongs to the university, may prove a useful model to adapt. A kind of labour process that never ends in time or space, a kind of labour process for which leisure and self-expression are not the antidote but the fuel. These will be the coiling lines of struggle into which business school leads its warehoused workers, and with them the university. The actually existing business school is of much greater concern than the ethics it projects.

## NOTES

<sup>1</sup> Blackburn, *Plato's republic*, 34

<sup>2</sup> Blackburn, *Plato's republic*, , 38

<sup>3</sup> Newfield, *Ivy and industry*.

<sup>4</sup> Hobsbawm, *Out of the great*, 3-5.

<sup>5</sup> Readings, *The university*.

<sup>6</sup> Harvey, *The art*, 93-110.

<sup>7</sup> Florida, *The rise*.

<sup>8</sup> Do, *No future*, 303-311.

<sup>9</sup> Moten and Harney, *There are students*, 159-175.

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# The informational university, the uneven distribution of expertise and the racialization of labour\*

Ned Rossiter

In his book *Nice Work If You Can Get It*, Andrew Ross opens the final chapter on The Rise of the Global University with the following assessment: 'Higher education has not been immune to the impact of economic globalization. Indeed, its institutions are now on the brink of channeling some of the most dynamic, and therefore destabilizing, tendencies of neoliberal marketization'.<sup>1</sup> Arguably, one of the central reasons higher education embodies the intensity of transformations wrought by neoliberalism has to do with ways in which post-Fordist labour is 'multiplied and divided'.<sup>2</sup>

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The political-economic technologies of measure are key to the division of labour in and across university settings. A quick listing of examples is sufficient to get an idea of what I am talking about here: systems of ranking institutions of higher education within a global frame serve to distinguish universities and the labour within them along national and geocultural lines of division; this in turn shapes the global mobility of students and thus the logic of economic accumulation, again dividing universities, labour and disciplines in terms of market competition and geocultural segmentation. The construction of special economic zones for higher education, which is most notable across the Asian, Middle Eastern and African regions, functions to divide national markets internally and externally along the lines of domestic and global spatialities that have implications for income generation derived from teaching and research activities in terms of the scope of student catchment and institutional sources for research funding.

The political-economic architecture of intellectual property regimes is another state supported device through which lines of division are constructed between what McKenzie Wark has termed the 'vectoral class' (those who proprietise and thus enclose the productive efforts of biopolitical labour) and the 'hacker class' (those engaged in the

collaborative work of co-production and creation of the common).<sup>3</sup> Universities and corporations have sought to further establish systems of measure from such labour through the global rankings of journals and citation indices. Such rankings overwhelmingly favour journals that are part of Anglo-American publishing consortia that over the past 20 years have set out to aggressively takeover the few remaining independent journals that support research and intellectual debate in national and regional settings. The effect of this has been to consolidate the hegemony of global English and erode the connection between the production of knowledge and its frequently local social-political conditions of possibility. This, notwithstanding the fact that the very notion of the local has become enormously complicated with the consolidation of economic and cultural globalisation coupled with the rise of the network society.

Additional lines of division operate in terms of what Andrew Ross calls the 'new geography of work', and what I'm wishing to frame in this essay as the uneven distribution of expertise. Incorporated into the uneven distribution of expertise is the racialisation of labour, both of which connect back to the construction of special economic zones for global universities. It is on this basis that my essay concludes that the 21st century informational university in its global manifestations is in many ways disturbingly similar to programs of institution formation and the management of populations undertaken by 19th century colonial powers. I will develop these aspects of my argument shortly, but first I wish to say a few more things about the multiplication of labour and how this dynamic and condition relates to the rise of the informational university.

## THE INFORMATIONAL UNIVERSITY AND THE PRODUCTION OF THE COMMON

In his book *How the University Works*, Marc Bousquet's crucial insight is that the flexibilisation of labour is at the centre of the informatisation of the university as it embraces the force of neoliberal regimes.<sup>4</sup> This orientation of labour around processes of informatisation draws on work undertaken by various researchers associated with Italian post-*operaismo* thought. One of the key analytical and political precepts developed out of such work, as summarised recently by Tiziana Terranova, makes the distinction between the social production of value and the model of classical political economy, which measures the time and cost of labour in determining the production of commodity value.<sup>5</sup>

Michael Hardt and Antonio Negri note that traditional models of measure (e.g. intellectual property regimes, university and journal ranking systems, citation indicators, etc., all of which operate within the contemporary neoliberal, informational university), and thus of the law of value, are in crisis today due to profound contradictions within the force of economic globalisation and the multiple antagonisms between the cooperative logic of biopolitical labour and capitalism's mechanisms of expropriating the wealth of the common as it is produced by the creativity of biopolitical labour.<sup>6</sup> In his dialogue with Negri, Cesare Casarino reiterates this point, noting how the common provides 'the locus of surplus value' for capital, whose apparatuses of capture--or regimes of measure--expropriate the wealth of the common.<sup>7</sup>

A distinction needs to be made here between the concept of *the common* and that of *the commons*. The latter is associated with processes of enclosure and proprietary control of that which was

previously collectively owned and managed. In a neoliberal paradigm, such a process has been marked by the shift of public goods to private ownership. The key point here is that the commons--whether they are understood in terms of ecology, culture or relationships--are predicated on the dual logic of scarcity and ownership, and are thus assumed to be resources in need of protection. Within social democracies, the state is frequently bestowed with such a role. The commons is thus ascribed a representational quality.

The common, by contrast, cannot be owned or managed, most especially by statist formations that assume the identity of the people or the public. The common does not operate within the logic of representation, in other words, and instead is a force mobilised through non-representational relations and the multiplication of biopolitical labour. Nor is the common a resource underscored by the logic of scarcity. And while the common holds an economic potential--something that is made clear in the moment of expropriation--its 'wealth' is not inherently economic. As I have written elsewhere with Soenke Zehle, 'If we understand the *commons* to refer both to the material context and the consequence of practices of peer-production, the *common* is the political potential immanent in such practices. Such an understanding of the common situates it conceptually as the latest iteration of the political; just as there exists an "excess of the political over politics", the affirmation of the common is offered as a condition of possibility for collaborative constitution, for the sharing of affects of love, solidarity or wrath, and for the translation of such affects and experiences across the "irreducible idiomaticity" of ethico-political practices'.<sup>8</sup>

Casarino makes the 'important qualification' that there is always a remainder of the common that is not appropriated by capital. There is the suggestion that this 'outside' or 'externality' provides the point of separation between capital and the common, which otherwise risk becoming indistinguishable. The precise content of this common is left without elaboration by Casarino. My sense is that asymmetrical institutional-social temporalities between capital and the common are key here. Where the university is often accused of being 'out of time' or 'too slow' by those who heavily identify with the business sector and industry, perhaps one could also suggest that the time of the common and living labour holds a special complexity that refuses absorption into capital's apparatuses of capture and regimes of measure, which are always circumscribed in a way that living labour is not. I can only note such speculations in passing--the empirical-conceptual content here is the stuff of future research.

When transferred to the setting of the university and its transformation under conditions of economic globalisation, questions such as the following emerge: How does the social production of value (brand desire, affect, subjectivity, online social networking, etc.) shape the commodity value of the university degree? What relation does this have with the globalisation of higher education? And how does the informational university--defined increasingly by privatisation (as distinct from being a public good), labour flexibility and informational management--relate to the social production of value?

Let me outline in concrete fashion how the social production of value shapes the commodity value of the university degree. Anyone who is astute to the conditions of cognitive labour within universities will not have trouble making the connection between diminishing numbers of full-time faculty, increasing casualisation of teaching staff, the massive expansion in administrative

labour and the viral-like proliferation of managerial personas, the structural reproduction of adolescent research subjectivities through short-time contracts for junior researchers on cross-university projects and what I would term the incapacity of the disciplines to invent new conceptual and methodological idioms of practice.

It is a well known if rarely articulated strategy of refusal for coordinators of course modules to reissue the same material for students year in and year out. Admittedly this is a practice that has gone on for years in universities, but it takes on substantially different hues with the shift from the public-state university to the pseudo-corporate and informational university. Whereas the academic of the public university who trotted out the same module outline every year was justifiably accused of intellectual and pedagogical laziness, these days it is more a matter of survival as academics struggle to manage an enormous increase in managerial and administrative workloads that accompany the ever-expanding mechanisms that define the madness of audit cultures (another feature that defines the informational university). Come the start of a new semester, it is not uncommon for academics who have spent whatever recess from teaching duties by writing grants, undertaking marking, fulfilling administrative duties, meeting with dissertation students and maybe, if lucky, engaging in some research, to then find themselves having no time to redevelop old course materials (forget about producing new materials), and thus resort out of desperation and self-survival to repeat whatever it was that they taught the previous year.

The result of such practice--which I would expect to be widespread across the sector--is that disciplines become impoverished. You might counter this charge by telling me it is the job of research to provide the material of innovation for the disciplines. To do so falls into the trap of privileging research and thus dividing the important and mutually informing relationship between research and teaching. Moreover, it assumes that research activity is actually doing the job of disciplinary reinvention. I would suggest that, to the contrary, the vast majority of national and supranational funded research--especially in the humanities--is funded on the grounds that it reproduces the orthodoxies of the disciplines, in which case very little is gained by way of disciplinary innovation.

This brings me to the social production of value. When academics no longer have the time and perhaps intellectual stamina let alone curiosity to test the borders of their disciplines, what do they do? Well, in similar fashion to capital--and indeed, precisely because they are subjects of the corporate, informational university--they look to appropriating the creativity of the common. In my own field of new media studies, it has become very clear over the past 10 years that academics have contributed very little by way of conceptual and methodological invention. Such work has been undertaken outside and on the margins of the academy by artists, activists, computer geeks and media theorists.

How is such work undertaken? It is undertaken through practices of collaborative constitution and the multiplication of labour made possible by the mode of information and the media of digital communication.<sup>9</sup> The key social-technical features here of flexibility, adaptation, distributive co-production, informational recombination, open/free content and code, and modulating axes of organisation (both horizontal and vertical) all define the culture and labour of networks. And as the generative content of the common is absorbed and more often enclosed by non-generative proprietary regimes that function to shore up the borders of the corporate university, there is also

an informational dimension of open and generative network cultures that is carried over and interpenetrates the institutional dynamic of the university.

Actually, an increasing number of universities are recognising the value of adopting open content practices--MIT's OpenCourseWare being one of the more widely known examples.<sup>10</sup> The reason for this has to do with the fact that there is very little 'product differentiation' across degree programs from one university to the next, and universities are slowly but surely understanding that economic leverage for higher education comes not from the sale of pre-packaged, static material (although this is still the dominant economic model). Rather, they see their business as that of awarding degrees (i.e. granting an institutional/symbolic legitimacy upon a learning experience, which is the basis of determining tuition fees) and service delivery. This is a model that effectively duplicates the business model of open source software providers who understand that users (including educational institutions, corporations, small businesses and organisations) expect to download content (operating systems and office software, for example) for free, but are then willing to pay for labour that customises the software to specific institutional needs, with follow-up service as required.

## THE UNEVEN DISTRIBUTION OF EXPERTISE

What is the relation between the informational university and the uneven distribution of expertise across the higher-education landscape? Indeed, what is expertise and who is an expert? And what are the geocultural configurations upon which such relations might be mapped out? With the rise of Web 2.0 and its attendant self-publishing and promotion platforms such as blogs, wikis, Twitter and YouTube, everyone these days is an expert. In some respects this seeming democratisation of knowledge production is a structural phenomenon brought about by the outsourcing of labour and content production in the media industries. These days, even the corporations want everything for free. And with the social production of value, which in the case of news media comes in the form of citizen-journalism that willingly supplies content for free, the cost of labour is effectively removed from the balance sheet.

How, though, does this Cult of the Amateur impact upon the distribution of expertise within the university? With the rise of mass education and user-pay systems, many academics nowadays complain of the 'dumbing down' of curricula. Academic departments have become in most cases almost entirely dependent on income derived from student fees, with international students making up a substantial portion of annual budgets. This is especially pronounced in universities in Australia where, after two decades of partial deregulation and massive cuts in government expenditure on education, it has become a routine practice for academics to slide students over the ever-diminishing hurdles of assessment. If they didn't, then the security of their own jobs would be at stake.

Similar practices are the norm in British and North American universities, no matter what the 'quality assurance' reports might say to the contrary. Such systems of measure long ago lost any relationship with their referent and function in a very similar way to the production of public opinion, which does not exist according to Bourdieu's compelling thesis.<sup>11</sup> What does exist is the ever-increasing extension of self-referential reporting measures into the time of academic work.

The tyranny of audit cultures inscribes academic subjects into discursive practices of accountability and conditions the over-production of administrative functionaries, whose job is to keep track of the bureaucratic madness that such systems guarantee.

Not only has the dependency relationship on student fees had substantive impacts on the design and content of curricula, it has also exacted a toll on the capacity for academics to keep abreast with--let alone make contributions to--advances in their field. Increasingly, the insistence by students and administration for entertainment-on-demand styles of not so much teaching but 'course delivery' has resulted in more academic time expended on maintaining online administration and content management systems such as the notorious WebCT and Blackboard. (Although for reasons I fail to understand, such systems are embraced with an obsessive degree of delight by some colleagues I've worked with over the years).

Within conditions such as these, which again are typical of the informational university, it would seem the very notion of expertise is in crisis. And arguably it is. But there are also ways in which expertise is upheld, since once it can be quantified as measure a crucial symbolic value can then be accrued that can then be transferred as brand value for individual academics and their institutions. This in turn results in a capacity to charge higher student fees and attract the much vaunted external research funds, whose board of assessors place great emphasis on so-called 'esteem indicators' provided by journal ranking systems and citation indices which hold their own geocultural and political economic bias that reinforces what Harold Innis termed 'monopolies of knowledge'.<sup>12</sup> Such measures supposedly confer upon the body of academic research a 'quality assurance' that effectively removes from the assessor the task of critical assessment, which is now designed to be as automated and therefore as time efficient as possible. Again, these are some of the key features that characterise an informational mode of knowledge management. Though it remains to be said, the calibration of such systems of automation are deeply ideological and underscored by cabals of self-interested academic groups and individuals.

This brief survey of teaching and research practices within the informational university comprise what Andrew Ross has termed the 'new geography work'. A far-from-uniform informational geography of intellectual property regimes, content management systems, database economies, flexible labour and open content production becomes integrated with a geocultural system that valorises the reproduction of Western knowledge traditions and hegemony of global English.<sup>13</sup> There are further implications here for disciplinary innovation and the production of subjectivity. With the rise of the global university, local knowledge traditions and expertise have very weak purchase within an educational-machine that demands modes of flexible, just-in-time delivery provided by staff in contract positions whose structural and ontological insecurity is offset by largely generic course modules whose uniformity ensures a familiar point of entry for the next short-term academic hired by the global university.

## THE RACIALISATION OF LABOUR

In which cases might a racialisation of labour underscore the informational university? In short, what are the labour inequalities that shape the market of higher education on a global scale and how are new (or, as the case may be, neo-colonial) class subjectivities being reproduced? There

are multiple hues of labour differentiation across universities at a global level. To make the claim of differentiation along the lines of race is to suggest a reproduction of the 19th century biological category of race as the basis upon which division is operating. The official positioning of universities across the world would be most defiant in maintaining that this is certainly not the case, and indeed may be inclined to issue legal writs against anyone making such a charge, if it was perceived that brand damage was a stake.

Nearly twenty years ago, Etienne Balibar and Immanuel Wallerstein observed that 'in traditional or new forms (the derivation of which is, however, recognizable), *racism is not receding, but progressing* in the contemporary world'.<sup>14</sup> Arguably, this is no less the case today, and one of the sites upon which racism has become reproduced, albeit in new guises, is that of the informational university. The category of race, as Balibar and Wallerstein go on to analyse, is one of the key modalities enlisted in the construction of the 'people', or what Foucault analysed in terms of the biopolitical production of territory, populations, security and subjectivity.<sup>15</sup> Other social-political devices through which populations are constituted include the nation, class, ethnicity, gender and broadcast media of communication. How the category of race intersects with these technologies of governance that define the rise of the nation-state and industrial modernity has been a matter of considerable research, which is in no way exhausted yet. It may seem a surprise to many that the seemingly archaic category of race should figure within the time and space of informational modernities. But, as I go to show, forms of institutional racism are central to the problem of labour within the global university.

Let me conclude by briefly documenting the operation of what Balibar terms 'racism without races' with reference to the division of labour and uneven distribution of expertise operating at global universities present in China. How to situate the differences between labour regimes in the global university and those of 19th century colonialism? In form they are similar. In both cases indigenous elites are enlisted as administrators to provide the linguistic and cultural interface between the imperial institution and local populations, which include government officials and industry representatives. But one key difference is that a relatively high-ranking official such as myself in the 19th century could freely have lavished all the racial epithets on the lower ranking colonials. Today, however, someone such as myself has to be careful about how the discourse on race is handled since it could endanger my position, to say nothing of the offence it may provoke. There's a difference here with the 21st century variants of differential racism that needs to be analysed. And the concept of 'racism with race' helps such analysis part of the way. Racism without race is predicated on modes of division that while not invoking the biological category of race are nonetheless reproducing the logic of racism--namely, to divide and exclude on the basis of race--through other means but which at their heart are racist in orientation, no matter how unconscious or unintentional that may be.<sup>16</sup>

A notable feature across global universities operating in China today is the substantial presence of domestic Chinese in the administrative ranks, with considerably fewer Chinese working as academic faculty. While smaller scale operations may combine academic and administrative roles and have those carried out by foreigners on casual contracts familiar with the 'culture' of the national system within which they are working, the larger universities employ local Chinese for administrative work on an almost exclusive basis. These staff often hold an undergraduate

degree from a U.S., British or Australian university, and many will also have postgraduate qualifications from an overseas university. In many cases their degrees will have been awarded from their current employer, which again ensures familiarity with the culture and administration of their particular institution.

In principle, the Chinese administrators working within global universities in China are not there because they are Chinese but because they have met the job selection criteria--relevant degree or diploma, competency in English language, good interpersonal skills, relevant experience, etc. The official positioning is thus definitely not about race in its classic 19th century articulations. On the other hand, if these administrative staff were not Chinese, then they most likely would not be working in these universities. Why, then, are there so few and in enough cases no non-Chinese staff comprising the administrative ranks at these global universities?

If it was just a matter of holding the appropriate qualifications and skills, then there could be people from any number of racial and ethnic backgrounds working as administrators in these universities. As noted earlier, while the primary administrative and teaching language of these universities is English, there is a need for at least some administrative staff to have a high proficiency in Putonghua in order to interface at linguistic and cultural levels with local and national government departments and businesses. But there is no obvious reason or need for all administrative staff to be of Chinese origin. It would seem that there's an important subjective desire to work for Chinese administrative staff with largely Anglophone qualifications to find work back home. What emerges from this phenomenon is a dual-language system where intra-institutional and transnational administration and engagement with academic staff is conducted in English, whereas the informal socialisation among administrative staff and their interaction, to some extent, with Chinese students is conducted in Putonghua or local dialects.

To not be Chinese, in other words, means to not be participating in those institutional and social circuits conducted exclusively in Chinese. This enlisting of the (middle-class) elite 'locals' in administrative positions strikes me as very similar to the colonial strategy of engaging indigenous elites to administer colonial institutions (India being the classic example) and in so doing reproduce and reinforce (or in some cases produce) a local class system. My understanding of such operations is that racial distinctions determined the institutional positions and conditions of the labouring subject. Institutions of globalised higher education provide the institutional settings and organisational cultures through which the logic of differential racism is played out today.

Moving to the question of academic faculty and the international staff that compose its ranks, the opposite display of racialised labour becomes notable: namely, the tendency for Chinese to not be among those holding academic positions. Perhaps this is even more remarkable than the case of the Chinese majority within administrative positions. The opportunity for movement within administration from a U.S. or British university to a global university operating in China, or some other country, for that matter, is less likely than in the case of academics, who tend to be much more mobile within both national and global settings. Why, then, do so few Chinese academics comprise the ranks of faculty within global universities in China? One reason has to do with remuneration. Local Chinese are paid substantially less than their international colleagues, and in this respect the economy of labour in global universities reproduces that of most other busi-

nesses in China. Unlike other business sectors, however, the global universities do not—at least not yet—fill their academic ranks with local Chinese in order to save on labour costs. Key to the brand value of the global universities is the assurance these institutions make to students that they are receiving a product and experience that essentially reproduces what they could expect if they were enrolled at the ‘home’ institution. An important part of that assurance thus rests on a significant portion of academic staff who are either on secondment from or at least familiar with the workings of the home institution. There are also administrative practicalities for this practice associated with the running of equivalent programs, submission and moderation of grades, establishment of academic and administrative committees, and so on and so forth.

From the perspective of the Chinese academic who may give thought to shifting from a Chinese university to one of the increasing number of global universities setting up shop in China, a number of practicalities need to be considered. The linguistic barrier presented by the necessity to have a working command of English is just one of various factors to take into account. While the low pay may be equivalent between Chinese and global universities, the Chinese academic will have to forego the frequently informal ways in which income is supplemented within the Chinese system. The household items and food parcels supplied by the national teacher’s union, for example, would not be part of academic life in a global university. Moreover, they will have to suffer the knowledge that for effectively the same labour they are being paid a fraction of the amount received by their international colleagues. It must be said that such differentiation of remuneration levels is not based on whether one is Chinese or not. The same applies for those international teachers who have entered the global university from within China, and thus are structurally positioned as part of a domestic labour force. Nonetheless, the material effect of these multiple forces results in an academic body that is largely absent of Chinese staff.

While the differentiation of work across the spectrum of academic and administrative life points to standard divisions of labour in universities around the world, often enough both the individual worker and collective experience will embody these distinctions in singular ways and thus becomes a subject who multiplies rather than divides the borders of labour. This process whereby the borders of labour become multiplied is made clear in the relation cognitive labour holds with the social production of value, as sketched earlier in this essay. The racialisation of labour, on the other hand, serves as a technology of division in the case of global universities currently operating in China.

Both the multiplication and division of labour are features of the informational university and its expropriation of the social production of value. Cognitive labour includes modes of peer-to-peer production that make available resources in the form of an informational *commons*. While more immediately understandable as a technology of division, the racialisation of labour also feeds into the symbolic production of a commons in terms of the image repertoire and affective registers that are communicated about the global university as a site for international experience and certification. When situated within China, such an imaginary is reproduced in material ways in terms of the domination of mainland Chinese in administrative ranks coupled with the general absence of Chinese academics from faculty programs.

The relationship between the multiplication and division of cognitive and racialised labour, however, is substantially different in terms of how they connect with the social production of *the common*, which can be understood as the political potential that subsists within *and* conditions the possibility of the commons. The point of connection between such immediately distinct modes of labour lies precisely within the ways they shape the brand value and thus economy of the informational, global university. While there is unlikely to be political affiliation between transnational cognitive labour and Chinese administrators in global universities operating in China (the geocultural disparities being largely insurmountable), there is potential for relations to be forged between workers who experience the informatisation of labour as it manifests in both global and national academies. It is at the point of shared experience borne out of struggle that the possibility arises for differential inclusion in the social invention of the common. Both the racialisation of labour and the uneven distribution of expertise hold the capacity to be a part of such a process.

As the hegemony of the Chinese state unfolds and exerts its power across the geocultural terrain of global institutions, it should come as no surprise that the composition of labour within those institutions becomes increasingly comprised of mainland Chinese workers whose skills, expertise and symbolic value is no longer perceived as second tier. Such a transformation will occasion new lines of struggle in the globalisation of higher education. The challenge for biopolitical labour will be to assert the autonomy of the common from emergent apparatuses of capture. A key part of this struggle will involve refusing the informational technologies of measure.

## NOTES

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<sup>1</sup> Ross, *Nice*, 189.

<sup>2</sup> See Mezzadra and Neilson, *Border*.

<sup>3</sup> Wark, *A hacker*.

<sup>4</sup> Bousquet, *How*, 55-89.

<sup>5</sup> See Terranova, *The internet*. See also Terranova, *Another*, 234-262.

<sup>6</sup> Hardt and Negri, *Commonwealth*, 314-316.

<sup>7</sup> Casarino, *Surplus*, 20.

<sup>8</sup> Rossiter and Zehle, *Exodus*. Oddly enough, Michael Hardt confuses the common with the commons in one of his preparatory texts leading up to the publication of *Commonwealth*. See Hardt, *Politics*.

<sup>9</sup> That such invention is undertaken through practices immanent to media of

communication would suggest that it is a mistake to assume that informational modes of communication and practice result in outcomes such as the informational university. Clearly, such a position is one that holds a technologically determinist viewpoint, which is undermined by the fact that social-technical practices of collaboration constitution facilitate the production of the common.

<sup>10</sup> For a discussion of the implications of initiatives on cultural and disciplinary formations, see Ross, *Nice*, 202.

<sup>11</sup> Bourdieu, *Public*, 124-130.

<sup>12</sup> Innis, *The Bias*.

<sup>13</sup> See Ross, *Nice*, 202.

<sup>14</sup> Balibar and Wallerstein, *Race*, 9.

<sup>15</sup> Michel Foucault, *The Birth*. See also Foucault, *Society* and Foucault, *Security*.

<sup>16</sup> Balibar offers the following definition of 'racism without races': 'It is a racism whose dominant theme is not biological heredity but the insurmountability of cultural differences, a racism which, at first sight, does not postulate the superiority of certain groups or peoples in relation to others but 'only' the harmfulness of abolishing frontiers, the incompatibility of lifestyles and traditions; in short, it is what P. A. Taguieff has rightly called a *differentialist racism*'. See Balibar, *Is there*, 21

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# After cultural capitalism\*

Marc Bousquet

## NEVER LET A GOOD CRISIS GO TO WASTE

If modern man's producing power is a thousand times greater than that of the cave-man, why then, in the United States to-day, are there fifteen million people who are not properly sheltered and properly fed? Why then, in the United States to-day, are there three million child laborers? It is a true indictment. The capitalist class has mismanaged. In face of the facts that modern man lives more wretchedly than the cave-man, and that his producing power is a thousand times greater than that of the cave-man, no other conclusion is possible than that the capitalist class has mismanaged, that you have mismanaged, my masters, that you have criminally and selfishly mismanaged.

(JACK LONDON, *The Iron Heel*)

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In the five seasons of David Simon's HBO television program *The Wire*, we see the dystopic contemporary Baltimore created by the class war from above. It's a city ravaged by 'quality management', the same philosophy that administrations across the country have adopted in shunting the overwhelming majority of college faculty into contingent positions. As *Time* magazine television critic James Poniewozik puts it, 'All *The Wire*'s characters face the same forces in a bottom-line, low-margin society, whether they work for a city department, a corporation or a drug cartel. A pusher, a homicide cop, a teacher, a union steward: they're all, in the world of *The Wire*, middlemen getting squeezed for every drop of value by the systems they work for'.

What the show grasps is that private corporate and public institutional managers both employ 'quality' in an Orwellian register in which a 'quality process' is one of continuously increasing workload and

continuously eroding salary and benefits, with a single, doltish mantra employed everywhere--in police departments, in social services, and school systems, just as on college campuses: the perpetual command to 'Do More With Less'.

As Poniewozik observes, what this actually means, 'is doing less with less and cutting corners to make it look like more'. Hence the need for assessment instruments that everyone inside an organisation understands to be trivial and easily spun to nearly any purpose by agile institutional actors. The apparent vapidness of the assessment process is actually its cleverness, at least from the point of view of management as a form of labour under pressure: the instruments are supposed to be easily defeated. The ease with which the metrics of assessment software are spun can be seen as a mode of assisted creativity in the workplace--rather similar to the ways that music and image processing sites assist the creativity of would-be composers, photographers and cartoonists.

In the show, upper management continuously urges lower management to 'be creative' with the numbers, a command that lower management generally passes along to the workforce. This command is correctly and universally understood as helping to devise a metric to assist organisational actors in collaborating in the pretense that more is being done--e.g, in social services, raising the number of citizen contacts or cases resolved per employee--even while everyone in the organisation understands that the actual quality of service is declining. This form of creativity is a survival mode for managers who themselves will be ground under if they refuse the do-or-die command of claiming ever-larger improvements in 'productivity' while papering over the enormous human cost.

The human cost isn't just the immiseration of the workforce. It's also the failure of these intrusive and anti-socially managed institutions, highly productive by questionable metrics, to actually deliver the policing, health care, and education they exist to provide. For instance, the number of individuals in the state of Ohio receiving food assistance doubled between 2001 and 2008, to 1.1 million, but the real story is that another 0.5 million in this one U.S. State are eligible, but not enrolled. (Candisky) Why not? Because the amount of assistance available--less than a thousand dollars a year, with endless applications and assessment--is no longer worth the cost of claiming it for at least a third of the hungry, many of whom are working, but cannot feed themselves on their wages. So there's a metric to support the claims of the bureaucracy ('Here in the food assistance office, we're proud that we're serving twice as many 'customers' at lower cost!'), but both the metric and the claim work as Potemkin villages screening the lived reality beyond, that more and more people need more and more help. Just as schools increasingly 'teach to the test' rather than educate, social service organisations devote more and more energy toward generating misleading statistics that permit the managers of the public sphere to claim they are making progress on issues, even when the opposite is true.

On my campus--like many U.S. employers--a widely touted employee benefit is on-site child care, but our near-two-year-old isn't enrolled, like many in his situation, because the waitlist is so long, and because they don't offer the (developmentally, pedagogically preferred) option of part-time care--meaning that the waitlist de facto prioritises staff and administrators, who generally want full-time care, over faculty, many of whom prefer part-time care.

Under quality management, the daycare centre doesn't exist to provide child-care to campus employees; it exists to enable *the claim* that 'care is available'. Anyone who has ever hung up on an automated telephone tree or unhelpful call centre employee, not bothered to go to a primary care physician to get authorised to see a specialist, or passed up a workplace benefit, professional reimbursement or consumer rebate because the paperwork was too arduous, understands the chiseling register of 'quality processes': the arduousness and futility of complaining is part of the calculation. So is who gets denied service, as increasingly sophisticated programs for commercial service providers apply zip code and other personal data to calculate denial-of-service algorithms for various demographics based on the likelihood that they'll complain, hire a lawyer, etc, etc. Valuable market demographics are carefully serviced; marginal market demographics are excluded, ignored, or shut down: this is particularly problematic when market and revenue become filters through which we grasp communities and civic systems.

The show underscores the problematics of this management strategy spanning public and private, including the private-in-the-public-good of traditional professions. Closely parallel to the actual organisation, the show's version of the *Baltimore Sun* newspaper fires its experienced reporters and slashes funds to do investigative reporting in favour of fire-chasing and puffery, fleshing out the staff with cheaper, younger, workers, some of whom lack the contacts, experience and moral compass to do the job. All city departments are under similar continuous pressure. At the police department, funds to actually investigate homicide and gang crime have been steadily restricted to the point where only 'high profile' murders receive resources; most victims receive perfunctory attention, and individual investigators are barred from investing time and resources in long-term efforts to bring down criminal organisations. The police department and news organisation alike exist primarily to support management's claims about policing and news-gathering, and steadily less to do actual policing and news-gathering.

In order to shake funds from the system, one homicide investigator gets the idea of faking the evidence in the unrelated murders of homeless men to appear as if they are the actions of a single serial killer. Since there is little market demanding that the murders of the homeless be stopped, and no revenue associated with that market, the investigator is forced to 'act entrepreneurially' to create a market and find the necessary revenue simply to do what one would normally imagine was his job. This plan plays on the interlocking nature of the quality-management values driving public institutions and the privately-owned media with a public-service mission, together with the responsibility-centre resource allocation of the mayor's office. If the newspaper can drum up a market and capture the attention of the mayor, then--and only then--public resources will flow toward the investigation.

When it turns out that plain serial killing is not enough to stir the appetites of the local media market, the detective is forced to up the ante by additional fakery, contriving evidence that suggests a sexual component to the murders. Simultaneously a young reporter under similar pressures at the *Baltimore Sun* also fakes journalistic evidence--acting entrepreneurially to advance himself in the organisation. Together these multiple lies (creative fictions, innovations, entrepreneurship)--composed in the key of money, market, and sensation to which management's antennae are permanently attuned--ultimately result in a successful short-term redescription of the institutional

mission of both organisations: get the (nonexistent) serial sex killer! Following that redescription is a modest but meaningful resource flow: cash, equipment, and, above all, labour time.

A significant fraction of those diverted resources are wasted maintaining the illusion that reporters and police officers are following managerial direction and chasing down the fake murderer. The small amount left over is secretly diverted to actual policing--a small cadre of dedicated officers use the funds and control over their time recaptured from management to order test results, do surveillance, acquire computers, and actually make a series of arrests.

Of course the reason that so many persons--nurses, educators, roofers--identify with the police officers in the show is that they too must increasingly engage in lies and risk-taking just to spend their time--often their unpaid overtime--doing the work in which they believe, instead of inflating their bosses' metrics. Time spent teaching and nursing is increasingly stolen from time spent 'proving' the lies of management--that ignorance is knowledge, or that sickness is health. But I don't mean to suggest only the selfishness and folly of management; we must also recognise their breathtaking cleverness: they are at the golf course while on the job, but their subordinates are donating work while off the clock!

'Quality' processes are the Stalinist iteration of late capitalism, through which the class of top functionaries exist in a separate world of servants and second homes while urging everyone else to accept scarcity for love of the mission. It's not just teaching for love--it's policing and soldiering and urban planning for love, game design for love, word processing for love. Quality management takes advantage of the fact that most people don't behave as the self-interested clots modeled by neoliberal economics. Most people are animated by profoundly pro-social impulses. To a limited but real extent, depending on individual factors, janitors do their work for love of clean floors. And it is the overt, cannibalistic intention of quality management to see that--to the absolute limit of the possible--they do that work for love alone.

Only top management ('leadership'), in the quality scheme, isn't done for love. Upper management is paid to do something most of us can't do. Most of us can't live in mansions while our neighbours can't afford chemo; most of us really believe that individual accumulation has reasonable limits. Only a very unusual person can do what the sleaziest small contractor does--pick up day labour, pay them less than the minimum wage to rebuild a suburban kitchen, collect \$50,000, and then dump the workers back on the street corner. The task of academic quality management is to find those rare people and make them deans, provosts, and presidents.

## TAKING THE AUSTERITY BAIT

When they are given the true picture, every ordinary taxpayer gets it: something's wrong when faculty earn less than bartenders; nobody would trust an accountant earning less than a living wage, etc. During the moment of bailout, American faculty rather sweetly and earnestly hoped that their education 'leaders' would lift the curtain and say, 'Can you sling us some cash for faculty and students? We'd like to charge less tuition and pay our faculty at least as well as, say, flight attendants'.

That didn't happen. Education leaders didn't demand a 'bailout' or a 'new New Deal for higher ed', etc. They did eventually request, and receive, money to continue their four-decade spending spree on buildings and grounds. With respect to students and faculty, though, they seemed all too ready with even more grandiose plans for austerity.

That's because administrations have found four decades of austerity useful to establish greater 'productivity' (more work for less pay) and more 'responsiveness to mission', which is to say, more control over curriculum, research, and every dimension of teaching, from class size to pedagogy.

They anticipate the coming years will be even more of an opportunity in this respect. In addition to massive world-historical spending on the military, police, and prison sectors, the diversion of public funds to the financial and industrial sector gives the rhetoric and tactics of austerity a needed shot in the arm: just when we were about to stop falling for the 'oh, this year it's austerity again' rhetoric and demand restoration of public funds to a public good, we have the whole government standing in front of flags with their empty pockets turned out.

That's right: many top administrators *welcome* austerity. It's what they know how to do; it's their whole culture, the reason for their existence, the justification for their salary and perks, the core criteria for their bonuses: the quality way, 5% or 10% cheaper (or 5-10% more entrepreneurial revenue) every year. 'Ya gotta be a good earner or pay the price', as quality-manager Tony Soprano liked to say. Not to put too fine a point on it, they're sweating the serfs in a pretty old-fashioned way: I don't care how ya do it, ya gotta get me another 10% next year, or you can 'choose' whether you teach more classes or close your department. And top U.S. education administrators, whacking down \$300,000 a year or more, get plenty of traditionally seigneurial rewards: box seats at the jousting, the best cuts of the roast animal, jets and suites for their trysts.

Those of us on the ground in higher education will wonder how much more 'productivity' is in fact possible, given that leaders have been taking advantage of the rhetoric of crisis for forty years to ratchet productivity beyond any previous administrative dream--U.S. faculty today teach more students more cheaply than at any point in the history of higher education. This is not a partisan political issue, as I've said before, Clinton and Gore via 'quality in governance' are just as responsible for 'increasing productivity' (but gutting education) by permatemping and extracting donated labour via service learning and interns (make your own joke here) and the like. (Gore is the author of one of the early treatises on quality in governance, and it was his antics at an Arkansas quality in government conference that generated one of the early sexual harassment charges against then-governor Bill Clinton).

What's all that quality management meant for higher education in Gore's home state? Nothing to be proud of, really. Over the past couple of decades, the great state of Tennessee has burned millions of education dollars on executive compensation, sports facilities, and miles of orange carpet--all while 'successfully' keeping its faculty among the lowest-paid in the country. Not surprisingly, Tennessee students have done poorly in close relation to management's success at squeezing the faculty. And all of this was long before the chancellor of the Tennessee Board of Regents, Charlie Manning, came up with a 'new business model' for higher ed in his Appalachian state.

Of course the 'new' business model isn't new at all, it's just Manning refusing to let a good crisis go to waste. It's the same tired Toyota-management theory from the 80s, with wide-eyed managers and credulous politicians swapping bromides (crisis=danger + opportunity) of doubtful validity, linguistic or otherwise. In the big picture of capital, Manning is just a low-level squeezer--the higher-ed equivalent of a regional manager for PepsiCo. With bailout, the first half of the 'opportunity' for higher-level squeezers and shareholders has already been realised, in the stabilisation of finance-industry holdings and incomes. Manning's job is to realise the other half of the opportunity--squeezing a few more nickels and dimes out of his already-on-food-stamps faculty, and further watering down the thin gruel he passes off as 'higher education'.

In the business curriculum, squeezing nickels and dimes until your workers are living on food stamps, loans, or gifts from relatives is called 'long term productivity enhancement'. Manning's ideas for good squeezing include:

- requiring students to take a certain number of online courses en route to their bachelor's and associate's degrees;
- turning online learning into an entirely automated experience 'with no direct support from a faculty member except oversight of testing and grading', and providing financial incentives for students to voluntarily accept teacherless education-as-testing;
- use even more adjuncts and convert the remaining tenure-stream faculty into their direct supervisors, 'formalising' that arrangement;
- use 'advanced students' to teach 'beginning students' and build that requirement into curriculum and financial aid packages;
- increase faculty workload, initiating a 'students-taught' metric to supersede courseload, and 'revise' summer compensation;
- austerity for the poor--cutting athletics at community colleges, etc--but rewards for privatisation and revenue-producing programs, etc.

Reading all this life-in-wartime austerity of fake correspondence learning, students as teachers, faculty as supervisors, and a standing army of temps, you'd think there was actual fat to be trimmed (other than in the administration).

But the reality is that if you're really experienced and qualified, teaching 10 courses a year for Chuck Manning nets you about \$15,000 without benefits, or less than you'd make at Wal-mart. That's quite a bit less than half the \$33,960 that the extremely useful Living Wage Calculator says is necessary to support one adult and one child in Knox County.

Republicans and Democrats share the wrong idea that four decades of squeezing the faculty has been to 'control costs', when in fact it's just been to accumulate pots of either money (to spend on administrator perks, salaries, and sponsored projects or favoured activities, especially big-time sports or, at religious institutions, social engineering) or capital (buildings, endowments, media infrastructure, investment in ventures and partnerships).

## HOW THE UNIVERSITY ACCUMULATES

As anyone who's attended a faculty meeting in the past two decades will have observed: higher education is a lead 'innovator' of the lousy forms of employment that have gutted the economy--permatemping of the faculty, outsourcing the staff, and myriad ways of extracting un- and under-compensated labour from students: internships, assistantships, financial aid, partnerships with local employers, service learning, etc. As I've argued elsewhere, this savage harvest of value is the envy of most other employers.

One of Obama's favourite young economic advisors, Jason Furman, likes to note that Wal-mart amasses a miserly average \$6,000 in profits annually per worker (a number that is about average in the retail sector and less than the \$9,000 average earnings per worker in the corporate sector) (McCormack).

Wouldn't it be interesting to calculate the rate of accumulation per employee in higher education?

That would be complicated, because university accumulation takes place in so many different ways--sure, you can add up endowments and guess at the value of medical buildings and hotels--but how do you value the accumulation of basic research, cultural production, vocational training and the reproduction of social relations? We do know that during the Bush years, for-profit education organisations were consistently in the top tier of profitability--precisely because they capture as profit the accumulation that the non-profits divert to other purposes. In 2006, Goldman Sachs and another investor bought one commercial education vendor enrolling just 72,000 students for over \$3.4 billion dollars (\$47,000 per student). Let's conservatively assume that this price indicates a goal of returning 9-10% annually on that investment, or \$4,500 a student, then project that figure against the nationwide ratio of full-time equivalent students to full-time equivalent staff (around 5 to 1) and then: et voila, for-profit higher ed would at least one perspective have the potential for accumulating a staggering \$24,000 per employee. In point of fact the vendor, Education Management Corporation (owner of Argosy, 41 Art Institutes, and the Western State University College of Law) has a much higher than average student to staff ratio of 8 or 9 to 1, possibly indicating that they are hoping to collect almost \$50,000 annually per employee!

Right now, EMC has more employees, but assuming the same student-staff ratio in 2006 that it has today, it would have had about 8,500 employees when Goldman bought it, paying about \$400,000 per staffer. According to their June 2009 financial statement, EMC earned \$319 million before interest and taxes on 16,000 employees--or an average of \$20,000 per employee, even though most are part time. The full adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation) was quite a bit higher: \$430 million, or \$27,000 per person on a largely part-time workforce, which would suggest fiscal 2009 earnings in excess of \$40,000 per full-time-equivalent employee. (As I was writing this, and delivering a lecture in Pittsburgh-based EMC's home state of Pennsylvania, the corporation issued an initial public stock offering, or IPO, easily wiping out almost \$400 million in debt, and announced that 3rd quarter 2009 revenues had soared well past the half-billion mark, riding a 22% increase in student enrolment, including a 60% increase in online enrolment (see 'EMC Reports Fiscal 2010 Results').

Of course proper calculation of the 'profitability' of nonprofits would acknowledge that the nonprofits accumulate in at least three major ways: traditional forms of **capital** (buildings, golf courses, endowments), **human, social, and cultural value** (often described as human, social and cultural 'capital': workers, professionals, scientific knowledge, culture, the reproduction of social relations essential to the survival of capitalism, etc.), and **money**--revenue that in a commercial education vendor might be distributed to shareholders as profit, but in a nonprofit is spent on things that management and powerful campus or community actors want, such as research, community service, sports teams, religious or cultural activities, and so on. Obviously, a more sophisticated approach would look at the profits of commercial 'education vendors' as in clear ways related to the non-accumulation of these potential profits--there's a clearly parasitical relationship between the actual harvest of profit in the commercial sector and the largely monetisable-but-not-monetised stream of basic research, curricula, cultural activity, professional service and so on still flowing from the majority not-for-profit sector.

Wal-mart's full EBITDA approaches \$30 billion annually, but using Furman's numbers, Wal-mart accumulates around \$10 billion in profits annually on 1.3 to 1.6 million U.S. Employees.

As of Fall 2007, the 5,000 institutions of higher education in the United States employed 3.5 million people (2.7 million full-time equivalent): to beat Wal-mart's per-employee harvest of value the U.S. higher-education sector would have had to accumulate just \$21 billion that year against Furman's measure, or a little over \$60 billion against the EBITDA metric.

While I can't pretend to calculate the actual accumulation of college employers, I can share my opinion that it's no contest.

Over the past ten years on average, including the crash, average endowment growth alone has grown more than \$25 billion annually, or \$7,100/employee, and \$9,500 per full-time equivalent employee). In terms of fixed capital: in 2007 U.S. campuses spent almost \$13 billion on construction. In 2008, they spent \$18 billion representing \$5,400/employee, \$7,100 per FTE employee (Agron). In 2005-2006 U.S. public and private universities together spent \$37 billion on research (\$13,700 per FTE employee) \$29 billion on hospitals (\$10,700 per FTE employee), \$12 billion on public service (\$4,400 per FTE employee) and \$28 billion on 'auxiliary enterprises'(\$10,400 per FTE employee) (NCES Digest 2008). Excluding the hospital expenses and leaving out the obviously handsome profits of the for-profit sector, U.S. campuses are currently accumulating around \$10,000 per FTE employee in endowment growth, spending about \$7,000 per FTE employee on new construction and allocating over \$28,000 per FTE employee to research, public service and 'auxiliary enterprises'.

Again, I don't pretend that these calculations are useful as anything more than a spur to thought, perhaps jump-starting some further thinking along these lines. But it seems reasonable at least to test the idea that U.S. higher education is harvesting five, ten, even twenty times more value per employee than Wal-mart--and if there's any truth to such an assertion, wondering what that means for students, staff and faculty: does higher education accomplish such an eye-popping harvest of value by an intensification of Wal-mart's methods, or by other methods entirely? If we are unimpressed with claims by Wal-mart and its apologists that the \$6,000 per worker is bal-

anced by two or three thousand in savings by shopping there, should we be equally unimpressed by the claims of universities that their ruthless harvest of value is in the public good?

And: if we've sometimes given Wal-mart credit for reorganising the economy--quality-managing its suppliers as ruthlessly as its staff--are there not ways in which the larger and even-more-impressively ruthless higher education sector deserves a share of the credit for large-scale, even global, economic reorganisation?

Moreover, shouldn't we be asking *why* the university accumulates, and for whom? And whether the different modes of accumulation might be at cross-purposes--that is, whether the accumulation in buildings and grounds (say, business centres) is at odds with social accumulation? Of course it's obvious that higher education is really vastly unlike Wal-mart: it not only can and does accumulate in traditional forms massively in excess of Wal-mart, its powers to accumulate in other ways is simply off Wal-mart's radar and beyond Wal-mart's horizon. At the very least, therefore, it should be clear that the university does not need to accumulate in the chiseling way of Wal-mart if, as Jason Furman suggests, Wal-mart's margin is so thin it couldn't change compensation without becoming something itself--that's simply not the case for the university. If it's true, as most evidence suggests, that working and owing less, and spending more time with better-educated, more professional and more secure faculty is associated with better learning, then we may have to conclude that the university's rush to accumulate in the mode of Wal-mart, however impressive the billions piled up, is misguided at best.

Sure, it's nice to have fresh paint on the classrooms and gyms with the latest equipment--but what if each treadmill with a television represents a couple of disadvantaged students who failed to persist?

It's fairly clear that the university under quality management accumulates steadily more undemocratically, with greater and greater benefits directly to the investor class, who sip cocktails in the box seats at college sporting events and plan their raids on workers' pension plans in conferences at university hotels, while university administrators huddle with their subordinates, finding ways for the taxpayer to shoulder the cost of job training. Another way of looking at these soaring benefits to the investor class is as a fairly direct upward transfer, with the most disadvantaged required to subsidise these benefits with debt, tuition, donated service and under-waged labor, not to mention their usefully legitimating loyalty and enthusiasm--as well as with their failure, since in the United States most of the most disadvantaged who encounter higher education are spat out as waste.

You'll notice I haven't even tried to estimate the cash value of what most of us would call the real productivity of higher education--knowledge, culture, social reproduction and social change, human development. Those numbers are literally incalculable; trying to do it would amount to a publicity stunt, like trying to guess the cash value of love or all the oxygen in the atmosphere.

Still we can illustrate. Leaving the obvious out of it, such as basic scientific research and job training, the cash valuation even of relatively incidental forms of academic social productivity dwarfs our friends at Wal-mart. Let's take the example of philanthropic giving: even after the crash, 2008 U.S. philanthropic giving was estimated at \$300 billion (Hrwnyna). It is hard to extricate the perva-

sive influence of higher education through most sectors of that distribution. For instance: giving in the education sector, which includes libraries, literacy programs, and prep schools as well as all kinds of higher education, including community colleges, was around \$40 billion. Campus employees pervasively influenced giving patterns to libraries and literacy programs in addition to the funds aimed directly at their employers. For that matter, university faculty, staff and administrators play a major role in directing the flow to arts and humanities organisations (\$13 billion), as well as organisations addressing health, environment, human services, and international affairs (\$65 billion). They play some role in generating and directing part of the over \$100 billion in religious giving.

Conservatively assigning the generation and direction of even 15% of the overall philanthropic flow to the activities of campus employees--as in part sort of a spin-off of their primary monetisable-but-not-monetised activities in knowledge, culture, and social reproduction--would amount to quadruple Wal-mart's profits.

Of course, the capturing of philanthropic flows is partly but not exclusively a matter of capturing value harvested elsewhere--in the steel plants of China, the oil sands of Alberta, call centers in Mumbai. (And of course we've long raised questions about the usefulness of 'right here' and 'over there' in thinking about value). Still there is an atavistic tendency to view the work of capturing that value simplistically, as a struggle among the privileged passing through the university-cum-country-club to direct the surplus, with the 'working class' in hard hats and the 'professional-managerial class' coming off as sharks battling over bloody chunks of capital casually tossed by the yachting class. That lens may have been useful in the United States in the 1960s, with relative stability in the professions and a much less prominent role for managers in complex organisations (commercial and otherwise). But it fails to grasp the most significant trends in the PMC, if there ever was such a thing, toward a fracture of interest between many professionals and managers, toward the proletarianisation of professionals and the increasing professionalism of top managers.

Further, as I hope to make clear, while the university is certainly home to many such sharks engaged in this kind of pursuit, the university's role in harvest and capture is much larger, and has a great deal to do with its crucial role in the labour process. That is: it's not just a matter of directing the surplus--it's a matter of generating it by un- and under-compensated labour, much of it freely given, or nearly donated, quite a bit extracted by administrative cleverness, and a huge rafts of value simply extorted.

## **THE FIGURE OF THE STUDENT: SUPER-EXPLOITATION AND BEYOND**

The student is the most complex node in the university value chain, simultaneously customer and servant, subject of spectacle and object of surveillance, citizen and thug, worker and manager, present donor of labour time and future donor of capital, agent of change and prey. To wrap up my contribution for this number of the journal, I'd like to explore some of the commonalities between Stefano Harney's contribution in this issue and my own views. Especially important to his meditation 'In the Business School' is his focus on the undergraduate student as something more than the incidentally-embodied subject of the business curriculum, as in fact embodied labour

engaged in self-warehousing and debt accumulation, 'ready to work but not causing trouble,' poised for the summons (keystroke, text message) of capital.

In focusing on the undergraduate business student, Harney grips the back of our necks while we try to wriggle away from the evidence of our own eyes: during the decades that the traditional professions, especially our own, have been gutted, the undergraduate business curriculum has captured a third (U.S.) or more (U.K.) of students. 'Now interestingly', he notes, these students irritate other academics in their 'open identification with wage slavery', that is, 'precisely in the moments when these students know themselves as labour, when they want to know only how to be employed'. As Harney devastatingly notes, anyone seriously on the Left has to acknowledge these moments as an opportunity to 'have a conversation in the university about what it means to hire yourself out to capital'.

There are lots of ways to go forward from this crucial observation: what sort of opportunity? What sort of conversation? Harney focuses on the changing nature of the struggle over creativity and craft: 'not the old struggle around the commodification of art which now appears almost quaint, but the struggle to resist every act of creativity being already and immediately also capitalist work'. There are many fronts in that struggle--the capitalist management of scholarly curiosity, the calling up of creativity by setting performance targets ('I don't care how ya do it, just get me 10% more!'), etc--but the one that interests Harney is the notion of 'study' as a line of flight from the general equivalent, the collective act of 'learning not geared to an outcome'. In short, Harney is pointing to the business school as something more than the clubhouse of capitalist tools--as a site of labour, or one contradictory, therefore rich with potential, place on the great factory floor of contemporary production; saying that we need to acknowledge that business students can and do engage in study, or learning unfettered by outcomes management and that the contemporary managerial obsession with culture, craft, eccentricity, and creativity is a special opportunity in that regard.

Another way of moving forward is considering the actually existing business student as not merely warehoused labour and a future source of value, but as already a worker, already an active node of accumulation. As I've already discussed in *How The University Works*, the most straightforward expression of campus 'innovation' in the labour process is the bonanza of value harvested from un- and under-compensated student and labour by both campuses and private employers. Throughout the U.S. economy, un- and under-compensated student labour has been aggressively substituted for permanent waged positions with benefits. That's millions of real jobs, cut into pieces and parceled out as low-wage positions for students, many of whom take on between two and five 'part-time' positions annually in order to minimise the debt that they'd otherwise incur. In the United States, 80% of college students work an average of 30 hours a week, triple the figure most studies say is appropriate for optimal learning. This workload bears directly on absurdly low persistence and graduation rates.

This is a perspective complementary to Harney's and I think largely compatible with it: in the U.S., think of the undergraduate business students who not only don't become Trump and Gates, or even vice presidents, but who never complete degrees at all. And of course waged employment-

-simple exploitation--and donated or extorted labour--super exploitation--is hardly the only way in which students contribute value to the campus and to private employers.

In 'Take Your Ritalin and Shut Up', an essay for *South Atlantic Quarterly* that should appear about the same time as this number of Edu-Factory, I've been trying to work out the relationship between notions of academic freedom for students and the political, social and institutional engineering of undergraduate cultures through Standards-Based Education Reform, the medicalisation of youth, and vocationalisation of curriculum, among other pressure points. I certainly didn't give the business curriculum an entirely fair shake in that piece, but I did use freedom in a curricular sense rather similar to Stefano's invocation of study, asking essentially, in what sense could we understand the hoopla about David Horowitz's academic 'bill of rights' for students as a fake solution to a real problem? Is there a way in which the outcomes-management of their existences essentially means that students' academic freedoms--including what Stefano calls 'study'--are substantially foreclosed in advance?

Part of my point is that this is a system that works almost as poorly for its 'winners' as its many losers, and that the reason the system works so poorly for its winners is the relentless extraction of value in administrative innovation:

'The lesson of their own internships, service learning and community service/resume building--the lesson of contemporary campus culture itself--is that good managers find ways for workers to work for free, and organize the production process to incorporate as many self-discounting and unpaid workers as possible. They themselves have accepted the command to give it away for years--and it all worked out for them, didn't it? To the winners, giving one's labor away is a form of 'investment' in one's own future--a period of subordination, humiliation and obedience similar to the character-building of bildungsroman--that one endures as part of one's initiation into the leadership class'.

In certain circumstances this investment--giving it away--quite literally takes the form of a lottery ticket to success in the spectacular economy. Internships are awarded as 'prizes' (ie, by MTV or Rolling Stone), and serve to provide low-cost formats for producing media programming. Online poker sites offer 'internships' to students who fly to offshore tropical sites to perform as web-cast celebrities for the huge undergraduate gambling population. These particular examples highlight a dual accumulation strategy by employers--who get service labour for low or no pay, but also--yet more importantly--accumulate value in the entertainment goods they sell, either reality programming, or webcasts drawing clientele to gambling sites.

Of particular importance is understanding that this dual accumulation strategy--capturing value from the student body simultaneously in cheap service labour and spectacle--was pioneered by higher education and remains of critical importance to campus employers and administrations. If anything can explain the fact that basketball and football coaches are the highest paid public employees in the United States--often earning millions in salary--it is the long history of higher education's unique accumulation strategy, a strategy that profit-seeking corporations have recently been trying to emulate, with some success.

To an extent, college athletics has been examined as a form of undercompensated work in which student athletes create revenue-generating spectacle in exchange for dubious education goods.

But athletics for broadcast television is just one way that students donate or partially donate labour to schools in the creation of campus culture--from the creation of consumable content (student newspapers, weblogs) to participation in plays, singing groups, orchestras, dance troupes, service organisations, religious activities, business clubs, fraternities, honor societies, political campaigns, student government and so forth.

Students participate in the labour and culture of administration, by completing evaluations forms, exchanging notes and opinions regarding faculty, maintaining files of term papers, and so forth.

One might easily argue that the time spent by students in gyms and tanning salons--presenting themselves for student-photographers in official campus publications and unofficial fraternity/sorority blogs is a donation to the campus brand. This may seem frivolous, but in fact it's quite significant, as is clear by the lengths to which gambling sites and other vendors will go to create such an illusion. Indeed, where these contributions don't really exist--on commuter campuses with a moribund student culture, for instance--they generally have to be manufactured for the cameras of paid marketing professionals.

The winning student learns that participating in at least the second prong of the campus's dual accumulation strategy is not optional. Winners do not need to participate in the 30 weekly hours of cheap service labour, but they'd better give their time away. Those who must work the thirty hours quickly learn that if they want to be winners, they must match--or appear to match--the gifts of labour-time offered by those not working, or become, in fact, losers.

Those students who work, persist, and 'win' learn extreme discipline, extreme medication, and sometimes, extreme ideology: they become advertisements for an abusive system clearly failing the majority of participants. Like Navy pilots jacked on benzedrine, they take their medicine, freely give themselves to Top Gun culture in exchange for the propaganda that they are the best because they are willing to drive the napalm truck--and because they weren't smart, reflective, ethical, free or humane enough to 'wash out'--and acquire the belief that the heights are their milieu, that they are just doing their jobs while spreading misery and death in the habitus below' (not exactly as edited for SAQ).

My apologies for the long extract, but it captures some of the tension between my account and Stefano's (and I freely acknowledge that his account remedies defects in mine!) Just to take one interesting line of inquiry--if I were writing a grant to study the patterns of Ritalin abuse on college campuses, I'd actually be very curious to see whether it's higher in undergraduates self-identifying as pre-professional versus those with a business major.

If I had to come up with a working hypothesis, I'd start with the possibility that perhaps business students were less likely to abuse prescription stimulants, and those hoping to grab slots in the shrinking, proletarianised professions more likely. If that thesis proved correct--and I wish someone would write a grant to find out--then Stefano might be right about the availability of space and time for study in the heads and curricula of business students. They'd be the soft theory heads of a leadership class formerly constituted by reading Keats and Kesey, while English majors would be trending toward the practical grunts under their genteel, aristocratic direction. But he might also be wrong: that is, simply because he's grasped a fundamental contradiction--as with the factory floor, the potential point for intervention is also the pounding heart of the extraction process.

My interest in these questions reflects an idea I've been toying with, that there's a growing split in the professional-managerial class. On the one hand, there's a strong movement to proletarianise professionals, conspicuously college faculty, but also physicians, lawyers and accountants. Hence the usefulness of Gary Rhoades' essential observations on the rise of 'managed professionalism'. In this vein, 'professionalism' is today more of an ideology than a life-way. As an ideology useful to one's employers, for instance, professionalism as devotion to one's clients, the public good, and the culture of one's field is clearly a vector for the super-exploitation of all kinds of other workers, from retail sales to schoolteachers.

Like professionals, millions of service-economy and clerical workers are now expected to donate hours of work off the clock, donating time to email and other employer-related communication, engaging in unpaid training and 'keeping up', etc. Throughout the economy, workers are urged to give freely of themselves--to serve--in exchange for psychic returns. All of this 'acting professional', however, doesn't come with what used to be a professional's paycheck. And all of these gifts come from self-care--from exercise, sleep, family and study: hence stimulant abuse among restaurant workers and physicists alike.

On the other hand, management is increasingly professionalised, via the worldwide triumph of the business curriculum--the first true global monoculture, with the keywords and master concepts (excellence, quality, change, accountability, learning organisation, etc.) framed by the 'great authors' of our time: W. Edwards Deming, Peter Senge, etc. And the top managers, and the upper-middle managers, and even many of the middle managers still get a professional's paycheck and more. They get paid in close relation to their ability to creatively summon the affect of others: the better they play 'Ya Gotta Serve Somebody' and extract donated work-time from everyone else, the more they whack down in their own 'pay for performance'.

One way of looking at certain trends in the mass culture of the professional managerial class (yeah, with 900 channels and a global audience, you can have multiple mass cultures) is in reaction to the proletarianisation of the white collar worker, and the tension between the residual culture of professionals, the dominant culture of management, and the related management-engineered faux-professional cultures of other workers. The recent 'Retreat to Move Forward' episode of 30 Rock once again lampooning GE management's 'Six Sigma' culture captures this neatly, but really the whole premise of the series is the running war between the workplace culture of

entertainment professionals and the junk culture that GE management is trying to impose on them. The episode's true-enough version of the six pillars of Sigma: 'Teamwork, insight, brutality, male enhancement, handshakefulness, and play hard'. (It falls into the not-really-a-joke category, though, when you think about how your university president got the job).

There are several series thematising the proletarianisation of the teacher right now. The most successful by far is AMC's *Breaking Bad*, which thematises the murderous logic of putting profit-seeking dolts in charge of social goods, especially health care and education. But what made the series' first season such a success was its exploration of the consequences of proletarianisation for the professional subjectivity. While the second season softened the edges, in the first episodes there were dramatic, startling consequences. When diagnosed with terminal lung cancer, the scales simply fall from the eyes of high-school chemistry teacher Walter White. Recognising his proletarianisation, he puts the energy he formerly dedicated to the idealistic service of others into providing security for his family. He becomes a manager, taking over a former student's small-time meth business, re-structuring the operation to maximise profits. (And before you complain about it exploiting the scourge of methamphetamine to capture the crisis of the PMC, consider that Ritalin and meth are close chemical cognates, frequently taken for similar purposes).

White's turn into ruthlessness--he abruptly 'breaks bad'--resolving overnight to become the exploiter rather than the exploited is what separates the show from the soggy liberalism of Showtime's *Weeds*, which features a soccer mum dealing pot to keep up her sense of entitlement. *Breaking Bad* is more like *The Sopranos*, where half-smart gangsters in McMansions allegorise the organised criminals actually running the country, or *The Wire*, where the actually-existing thugery of management theory in public service is continuously thematised. All three of these shows feature what to me is a welcome populist strain of literary naturalism and proletarian sensibility, a hint that we might be returning to an awareness of Jack London's sense of the eat or be eaten ferocity of the class war from above on the rest of us. I hope so, anyway.

## NOTES

\* Some portions of this essay are adapted from online contributions to the *Chronicle of Higher Education Review* ([chronicle.com/review/brainstorm](http://chronicle.com/review/brainstorm)), *The Valve* ([thevalve.org](http://thevalve.org)), and *How the University Works* ([marcbousquet.net](http://marcbousquet.net)).

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# The double crisis of the chilean university\*

**Miguel Carmona and Nicolás Slachevsky**  
(review *Multitud*)

The majority of the most representative universities in Chile today were born at the end of the nineteenth century or the beginning of the twentieth--the same time as the consolidation of the first republican tradition in Chile. The transformations of that institution, once reserved to the oligarchy and an incipient bourgeoisie, have always coincided with economic processes and social contingencies. In the 1950s and 1960s, during the reign of social-democratic governments, the university played a central role in civil life; universities began to claim their rights to directly intervene in university affairs, which not only constituted the first democratising impulse of the student body, but also, in its effervescence, gave birth to the Christian, nationalist and revolutionary political forces that marked Chile in the 1970s. Thus, the current political class was part of a generation that was educated in a free and public university system, whose political relevance resonated on a national level.

MIGUEL CARMONA AND NICOLAS SLACHEVSKY BOTH 18 YEARS OLD, ARE FINISHING SECONDARY SCHOOL AT THE LYCEE ALLIANCE FRANCAISE OF SANTIAGO, CHILE. THEY FOUNDED AND LAUNCHED THE PROJECT OF *MULTITUD MAGAZINE* (NAME INSPIRED BY TONI NEGRI'S WORK) ON DECEMBER 2008: IT HAS ALREADY THREE ISSUES, AND IS ONE YEAR OLD

Today, the Chilean university as a system of education is entering a structural crisis. Chile, as one of the first laboratories of the Chicago Boys and the new liberal economy, can be seen as an important point of reference for understanding the current crisis of western education systems.

In this sense, in the context of the sub-prime crisis and its influence on the education crisis, a sort of "double crisis" is being confirmed. Here, we would like to briefly study the legal and economic cases of Chilean education, the new emergent pressures of the student movement and, finally, its situation in the face of the great financial crisis currently underway.

## THE CHILEAN EDUCATION SYSTEM

September 11th, 1973--the day of the coup d'état--the dictatorship (1973-1990) found a strong and autonomous university; the institutional participation of the students that was won with the university reform in 1968 made the university a kind of 'country project'. One of the first measures of the military dictatorship was to extend state interference into public universities (principally the University of Chile); the designation of delegate Deans--all active members of the army--was one of the most emblematic of these measures. This not only constituted an explicit violation of the autonomous university, it also marked the start of a process that would bring about a progressive deterioration in the institution of the public university that is still present. The effects of this military interference on education are still being felt, with the reorientation and the closing of important departments (like the limitation of economics to commercial engineering, or the direct suspension of philosophy and sociology for some time) along with the effects of the 1981 dismantling of the national alliance of the University of Chile (under the pretext of regional university independence), and contemporarily, the principle of college autonomy that plunged the institution into an academic and financial crisis.

The new paradigm of the university was therefore that of academic capitalism, where studies only correspond to a logic of individual inversion and not to a national democratic project. This is the same objective accompanying the reforms made through the dictatorship, which led to the privatisation of the university.

Parallel to the privatisation of public universities--which were to become the 'Traditional Universities'-- the dictatorship left as their legacy a great number of private universities, with the same logic of 'freedom of instruction'. In principle, this would be an element of the democratisation of university access. In fact, in 2008 the 42% of the 71.800 students that joined the university system did so at universities that didn't exist before 1981. Today, nearly 60 universities and 500,000 freshmen are enrolled, 5 times more than 25 years ago.<sup>1</sup> However, as we know, quantity doesn't imply quality and education in private universities leaves much to be desired, retaining the efficient management of the infrastructures as the only criteria for evaluation; other than a few rare exceptions (that can be counted on the fingers of one hand), beyond efficient management, few have good indices of student and professor quality.

No less disastrous was the case of basic and secondary education, where in an eagerness to 'decentralise education'--in which the state tried to intervene as little as possible in society--a law of municipalisation was passed that put the local government in charge of colleges in both administrative and economic terms. In the same way, three distinct types of colleges were established: private colleges (whose financing depended exclusively on private institutions), subsidised colleges (a mixture of financing from private business and municipal capital) and public colleges (with exclusively municipal financing). This sectoring of education resulted in a social sectoring of the country, because each city has an unequal economic power. This is visible not only in the quality ratings of education, but also in the infrastructure of the establishments wherein a notable deterioration is evident.

The college reforms of the dictatorship were passed a day before the end of the dictatorship, on March 10th in 1990, with the publication of the Ley Orgánica Constitucional de Enseñanza (LOCE).<sup>2</sup> Until the approval of the new Ley General de Enseñanza this year--in name of the 'freedom of instruction' cited in article 19 n°11--the law established the right to set up and maintain a college in the manner of a business (namely, requiring one to be 18 years of age or older and holding a primary and secondary education).<sup>3</sup> Additionally, it held that the financing of public and subsidised colleges, depending on the municipality, also depended on their requisites. This favoured well-to-do classes who had easier access to higher quality private institutions with higher enrolments.

Currently, education in Chile is governed by a new Ley General de Educación (LGE), which was signed on the 9th of April 2009 after more than three years of pressure from antagonistic student mobilisations and intense negotiations between parliamentary parties.<sup>4</sup> However, the extreme rigidity of the Chilean legislative system, inherited from the dictatorial constitution, limited possible advances in new educational policies, thus putting greater emphasis on state quality regulation and more control over instructional freedom. In structural terms, the LGE didn't mark a radical change in respect to the LOCE; policies of profit and a municipalisation of education have been maintained.

In the end, a situation has been created that the student movements call an 'educational apartheid'. This situation has the following vicious cycle: it begins at the level of primary education, with very limited qualified public schools and well qualified teachers (despite the common perspective that a primary school education is a fundamental requirement for each individual). It continues to the secondary school level at scientific-humanist colleges and industrial or commercial schools (technical education): the first maintain a situation similar to that of the primary schools, aside from approximately ten schools (the so-called "emblematic schools") that have attained a level of quality in comparison to the majority of other schools by setting up a strict selection criteria for distinguished students, of which only a small proportion come from public primary schools; the second offer a minimal number of options to encourage students to overcome their social situations, many of whom come from social risk groups and see a technical professional career as their only option (albeit a difficult one). This is followed by university studies where the excessive fees of particular departments act as a natural filter. These fees, along with the Prueba de Selección Universitaria, condition the entrance to traditional universities with a result that only 24% of those who score higher than 600 points (the minimum for such universities) actually come from municipal establishments.<sup>5</sup> Inequality is drastic; even under the criteria of quality given by the PSU only 57.81% of the youth studying at municipal colleges score higher than 450 out of 850, compared to 93.86% of those studying in private colleges.<sup>6</sup>

All of this is added to the problem of the scarce valorisation of Chilean professorships. The average salary for basic or secondary teacher is 500,000 Chilean Pesos a month, the equivalent of approximately 910 U.S. dollars or 650 Euros (where minimum wage is 159,000 Pesos, or approximately 290 U.S. Dollars or 210 Euros). The salary of a university professor is not much higher, around 700,000 Chilean Pesos.<sup>7</sup>

Hence we can see that education in Chile is not only badly paid in terms of labour, but is predominantly inaccessible to a large part of the population, which is tied to high enrolment numbers in lower ranking schools (which are the majority).

## STUDENT MOVEMENT

Up until 2006 there were no significant conflicts directed at questioning the education system. The student movement was limited to the university and, as such, among professors; controversy principally focused on contingent or local problems and not structural ones. However, a difference was marked in May 2006 when a series of protests began among the secondary students of public colleges paralysing all colleges of Chile. The aim of the movement was the abrogation of the LOCE, the end of municipalisation and profit in education. The movement rapidly extended to subsidised colleges and, later, to private colleges and universities. The media coverage was intense and by the beginning of June, when the protests were generalised, the government and the political sectors were forced to acknowledge the crisis of the Chilean education system and in response created a Consejo Asesor Presidencial de la Educación.<sup>8</sup>

By August, however, minority sectors of the student association began to realise the inadequacy of the answers offered by the government. Even if the Consejo Asesor Presidencial de la Educación (comprising all sectors of civil society) brought satisfactory solutions with respect to student demands, the LGE--the law that was finally written in congress (agreed upon by both the government and the right wing)--didn't address the profit in education, municipalisation or the principle factors of educational inequality. In June 2008, the student movement began to militantly re-articulate itself, demanding the end of profit in education and the modification of the LGE before it was to be voted on by congress. Satisfactory solutions were not offered and the situation stalled until the law was passed in April 2009. The failure of the later student movement, despite its organisational similarity to that of 2006, lay heavily in the manipulation of the mass media. In 2006, all journals and publications spoke in favour of the student movement (perhaps because the 2006 movement was critical of the Michelle Bachelet government; a context in which the majority of the mass media belonged to the political opposition). Two years later, the same media disbanded the movement, for instance by painting it as productive of senseless vandalistic action and linking its leaders to political parties and their problems.

The university movement, on its part, was concentrated in the state universities De Chile and De Santiago de Chile, organised mainly in contingent student centres, but it also found additional points of mobilisation in a series of private universities with a strong left. There is no instance of common representation amongst these institutions other than through their respective student centres. The central role of the historical university movements from the 1960s and, again, from the 1980s with the first demonstrations against the dictatorship, were felt in the imaginary of today's university movements. The university demands, however, did not reach the scope that was attained by the growing college movement during the democratic years. Today, the goals of the majority of representative university organs are geared toward the protection of the public university, even when the path to a unity of demands still appears distant.

## THE UNIVERSITY FACING THE CRISIS

In this context, the economic crisis that is affecting the whole world and keeping the country in recession finds education already submerged in a much earlier crisis. Today, talking about a double

crisis of the economy and the university goes far beyond the measure in which the economic contingencies have effected the financial situation for the institution of the public university. Instead, it indicates a problem at the very base upon which the university was founded in Chile.

As we noted in the first part of this article, the university in Chile is based on the model of individual academic inversion and has as its primary objective student's insertion into the labour market. In fact, student's state loan determines also the will of the individuals, generating logics of social reproduction, forcing them to enter immediately into the labour market's competitiveness to evade a debt situation. From the moment that the market fails and the mass of available works become insufficient (compared to the mass of university students), the university and its objectives fail too, which makes its own crisis even more evident. The economic crisis makes the model of university privatisation unsustainable.

The university, in fact, loses its active role in social integration the moment that the less privileged sectors of society are effected by the economic crisis. Not only is there an increase in student loan default, but the same model of self-financing means that the poorest sectors are even further away from the possibility of enrolling in university and opt to work instead. This increases the level of desertion of those already enrolled in higher education; what results is a consequent increase in social inequalities.

This double crisis throws the very existence of a social role of the Chilean university into question and highlights the democratic spaces that the commercialisation of public institutions has marginalised. The economic crisis has reawakened a strong consciousness around the structural failures of the neo-liberal model and, on the university level, it has reminded us that social inequalities are produced by dynamics of exclusion that persist in educational development, which in Chile can be traced back to the military dictatorship. The university in Chile is not only no longer a 'country-project', but it can be directly spoken about in terms of business and profit. In a certain sense, this model of self-financing the university is, in itself, a violation of university autonomy.

## NOTES

\* This article originally appeared in the Chilean journal *Multitud*. Translated by Jason Francis Mc Gimsey

<sup>1</sup>See the 'Chilean Universities' Quality Research'. URL: <http://aquevedo.wordpress.com/2009/10/13/ranking-2009-de-calidad-de-universidades-chilenas/>

<sup>2</sup>Translators note: 'Ley Orgánica Constitucional de Enseñanza' / Constitutional Law of Instruction.

<sup>3</sup>Translators note: 'Ley General de Enseñanza' / General Law of Instruction.

<sup>4</sup>Translators note: 'Ley General de Educación

(LGE)' / General Education Law.

<sup>5</sup> Translators note: 'Prueba de Selección Universitaria' / University Entrance Exam.

<sup>6</sup> See the oficial data of PSU 2008's results.

<sup>7</sup> See the reference webpage of the Education Ministry for academic orientation. URL: [www.futurolaboral.cl](http://www.futurolaboral.cl)

<sup>8</sup> Translators note: 'Consejo Asesor Presidencial de la Educación' / Presidential Council for Education.

# Weaving democracy

## The double crisis of the brazilian university

**Pedro Mendes**

There can be only certain types of knowledge subject, certain orders of truth, certain knowledge fields based on political conditions which are the soil that forms the subject, the knowledge areas and the relationship with the truth.

(MICHEL FOUCAULT, *La vérité e les formes juridiques*)

The manifesto that begins the Edu-factory<sup>1</sup> collective is based on one fundamental question: is the university the new factory? Can the university be considered, by analogy, as the privileged centre of knowledge production that is currently hegemonic in the world of work? Or even, can we consider that because of its integration into the production system that characterises the cognitive capitalism?

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Although the analogy between the university and the factory serves to highlight the role that the university plays in the current stage of capitalism, a role that, in the industrial capitalism, was played by the factory, it must nevertheless be accompanied by some warnings, especially in regard to the production of knowledge as something different than merchandise, and the consequent autonomy (albeit relative) that such dynamic expresses.

Another controversial element of this comparison concerns to the relationships built around the manipulation of knowledge and the production of subjectivities in each case, and the impact they make on the horizon of the living labour autonomy. For if we consider that there is a trend that workers become owners more and more, or rather, that they become the subject of production themselves, while production of life through the exchange of knowledge, we assume, necessarily,

that the production of knowledge becomes social production as well, diffused, and in that context, the university can be at most one node of the dynamic network that crosses the entire metropolitan region.

In general, but also in the Brazilian case, as the struggle for university access makes clear, moreover, if the multitude can already experience some degree of autonomy, the precarisation of the workforce re-introduces the material issue otherwise fundamentally new. To occur, production needs to hold in a wide range of subjects immediately productive which, in turn, rely on their own life (body, knowledge, social relationships, memory, emotions, etc.) and citizenship (social rights) to produce the new. Secondly, production mobilises, in the form of collaborative networks, all the potential and the singularity of each subject, features that, bundled together in a unique way, can become effective.

Indeed, the question becomes how to proportionate this multitudinous subject with the means to update its productive virtualities more and more. In other words, one should ask how to build a citizenship toward the immaterial and autonomous production of the multitude of precarious. That is why the struggle for social rights and, more specifically, the struggle for the democratic control of the university, is presented as an immediately productive struggle and, therefore, material.

However, 'a mixture of old and new forms of informality and flexibility determinate, in the Brazilian case, timely translations of theoretical contributions based on the material transformations of the central economies...On the one hand, the fact that the wage relation based on factory work involves only limited portions of the Brazilian population and, secondly, the fact that, except for the case (very important, but limited) of the wide ABC Paulista, to have access to the wage relationship based on factory work hasn't become guarantee of material access to rights, that is to say, a true citizenship for the "workers"'.<sup>2</sup>

The conflict that pervades the university access issue, accordingly, can properly be considered the development paradigm of new rights that can ensure some degree of autonomy and horizontality in the production of knowledge. The analogy with the factory, therefore, makes the problem even more interesting, since in Brazil, the curse of employment, the rights under employment status and the university, are, paradoxically, a privilege for the few.

On the other hand, however, some of the most successful initiatives to challenge the knowledge production and appropriation model and at the same time, to propose (and actually build) new dynamics in its place, are also related to the struggle for university access, as we intend to show.

Indeed, the dramatic depletion of the Brazilian development process opens, in turn, the possibility of breaking the linearity of the capitalist notion of progress, making a leap to another temporality, expressed in the forms of a post-industrial citizenship and a democracy constituted mainly by social movements and the many singularities that make up the Brazilian multitude. There is therefore no objective stage of development, which allows Brazil, in contrast to many European countries, to break more easily its developmental constraints.

To accept the becoming of the multitude as a non-workmen social class implies, therefore, to build, at least in the Brazilian case, an extensive network of rights that provide a material guarantee for the real mass of precarious workers, among which university access is only one, though it is one of the most important. At the same time, what might seem an obstacle, the precarious citizenship of Brazilian workers and the extreme poverty, above all, opens a real chance to the country (and to the multitude while 'producer of the time bifurcations'<sup>3</sup>) to constitute its own ethical time, moving it from a dependent past directly into the future of the new social rights and the constitution of the common: the future is the becoming of the multitude!

## THE UNIVERSITY IN BRAZIL

Brazil is a country marked by inequality and by top-bottom reforms, and has a percentage of students which has only now surpassed 10% of youngsters (in college age), and of those, most study in private institutions so heterogeneous in terms of curricular architecture and available structure many that many don't even deserve to be called an university. But beyond the obvious shock this information causes, it also serves to highlight the huge barrier that restrains the assumption of the university as the main paradigm in any production scenario that has Brazil as its universe. Moreover, it demonstrates the state of the art of the social rights in one of the largest countries in the world and one of the major emerging economies.

Brazil has approximately 190 million inhabitants. Of those, about 10% are youngsters between 19 and 24 years, the equivalent of about 19 million people in college age.<sup>4</sup> However, currently, around 3 million people have access to the university (classroom education).<sup>5</sup> Of those, only one eighth is in public universities (federal, state and municipal). This represents approximately 350 thousand people.<sup>6</sup> It is noteworthy that there are also 1 million and 350 thousand unfilled vacancies in Brazilian institutions, mostly private.

In this sense, when it comes to reflect on the Brazilian university, especially the public ones, what we have, apparently, are two major problems that cross themselves: the first concerns the obscene social inequality in Brazil, where university has always acted as a boundary between the elite and some sectors of the middle class, and the multitude of poor people that remains apart, something around 90% of college age youngsters. The second problem is related to the fact that even during the (few) periods that the university expanded, it has remained closed to black people, as well as to other political minorities, and furthermore, not just to them, but also to the themes which are peculiar to them, demonstrating the existence of highly sophisticated mechanisms of selection and, especially, exclusion.

However, if we look closely at these two problems that surround and cross through the Brazilian public universities, we'll see that it concerns only one bigger aspect of the problem because, and here lies the selection apparatus, in Brazil, social inequality has a eminently racial (or colour) background. It should be noted, however, that the struggle between those 'inside' and those 'outside' the university--the bio-political block of power and the multitude--is far from being held in a binary division of society, how it may suggest at first sight.

It is a highly sophisticated power apparatus that operates through endless modulations and acts both to affirm contemporary values such as merit and miscegenation (or the myth of racial democracy, inspired by Gilberto Freyre). This way, far from solving the problem, this statement only contributes to shed light on, what we believe, is the conflict line.

Nevertheless, the Brazilian university has played a central role as an excellence site in knowledge production and advanced technology, with great benefits to certain production arrangements in a clear link with the national question which still characterises local training. Companies such as Petrobras, Vale do Rio Doce, Embraer and the so-called 'agri-business' have enjoyed enormously the research developed and the top university production. On the other hand, a series of innovative reforms incorporated into the government agenda during the two terms of President Lula reintroduced the urgent issue of university democratisation in Brazil.

### THE BACHELOR AND THE FORMATION OF THE NATIONAL ELITE

Brazilian universities, roughly, still have a curricular and academic structure inspired by their European counterparts of the nineteenth century.<sup>7</sup> Deployed throughout the century as a mean to ensure the claim and reproduction of the national elite, those institutions have never gone through sweeping reforms in order to modernise or at least to adapt them to local realities. They passed much of the twentieth century immune to the pressures and struggles for democracy and have only known reforms (some unfinished, frustrated others) made from the top down, either during the military dictatorship period, or under the neo-liberal hegemony that hit the country in the 90s.<sup>8</sup>

Looking back, the figure of the *bachelor*, immortalised by Gilberto Freyre in his classic on the national building and, in particular, in *Sobrados e Mucambos*<sup>9</sup>, which narrates the decline of the rural patriarchy and the rise of the urban society in Brazil, illustrates the distinctive features of a figure who has always been linked to the recognition of authority and hierarchy, even more than to knowledge production. The *bachelor* and, by extension, the training that ensures access to the title, has worked and, to a large extent, still works (almost) as a title of nobility, giving to its possessor the aura of an 'aristocrat of the tropics', something that, in fact, never existed in Brazil.<sup>10</sup> The university granted, therefore, citizenship titles to the privileged that could access its highly exclusionary services.

The figure of the *bachelor*, however, doesn't owe its power only to that. It also reveals the social conflict that underlies the very formation of Brazilian society for if, as we said, the *bachelor* represented the ideals of a noble elite drunk with power and thirsty for distinction, it's also true that it played a subversive role for mulattos and mestizos who sought social ascension/inclusion.

In a very skillful manner, the few blacks and mulattoes who managed to bridge the gaps on their way to the university, used the *bachelor* title to open paths in a society marked by material segregation and racial discrimination.<sup>11</sup> In their struggle for social mobility and access to rights, they fought to enter the privileged world of white citizenship using the same (nobility) title that university education granted and represented.

In this sense, if the university has always been a prime location for the national elite to reproduce and qualify itself while conducting the directions of the nation, for the mulatto (and mestizos and blacks), on the contrary, it represented the gateway to a universe of citizenship and rights.

Indeed--it is important to note that--although the Brazilian university is still marked by a strong bias of privilege and exclusion, it was the platform for launching major demonstrations for democracy and change in Brazilian society towards an effective publicity of the public space, from the resistance to military dictatorship and the struggles that marked its end to the protests that culminated with the impeachment of the first democratically elected president after thirty years. This is due, probably, to the entrance of new subjects into the scene, who have emerged around the immaterial turn of contemporary work, marked by the new (hegemonic) knowledge function and an update of its relationship with power, in what was the Brazilian version of 1968.<sup>12</sup>

## THE UNIVERSITY CRISIS

The Brazilian university currently passes through its worst crisis, marked by the controversy among those who are out and want to get in and those who are in and want to ensure their privilege of both class and colour. However, once again some clarification is required.

First, the Brazilian university crisis is not of the same type as that of their counterparts in Europe or North America. The main issue in Brazil is how to expand and open it to the many that are outside of it. A different concept might work here, but if we hold up to the crisis concept is, above all, to identify and leverage the differences between the Brazilian university reforms in face of the assumed (Bologna) process, for example. On the other hand, we refer to the crisis also to point the dispute over the current change proposals and, in particular, the violent (and elitist) reactions they provoke.

Secondly, talking about crisis means, therefore, talking about the decline of one anachronistic and outdated model of diffusion/concentration of knowledge and the power relationships that it embraces. But it involves mainly talking about the 'birth pangs' of a new model of knowledge production and sharing and, consequently, of a richer, more multiple and more democratic University, both with respect to knowledge (and the discipline model critique) and to the social barriers erected (and enforced) in order to contain and control the many.

Therefore, it worth reading the crisis concept proposed by Negri, in *Reflections on Empire*:

'The masses, the multitude, affirming the centrality of temporality as the opening of an insoluble crisis between, on the one hand, the ownership time, consolidated and closed, and on the other, work time that sets free, indeterminate and opened. Revolution as crisis allows seizing the antagonistic dimensions of time, between reactionary time, closed, the inertia of the past, and the revolutionary period which constitutes the future because of the production of new wealth and new humanity'.<sup>13</sup>

The crisis is related, in the Brazilian case, to the movement to democratise the university, on the one hand, and the fierce 'resistance' that it faces both from the bio-political block of power, eager to maintain its privileges, and the corporatist left struggling to maintain control of the bureaucratic devices (trade unions and government agencies) that ensure its reproduction. It relates also to the attempts to take control of the process, either through the subordination of blacks and poor in the existing circuit (and models) of knowledge production and dissemination, whether through subjection that threatens to capture the undisciplined knowledge (singularities) of those who come 'from the outside' (of the university, in this case).

Another critical element to consider, somehow related to the previous ones, refers to the crossing that runs through the Lula government, since, on the one hand, the movements that pass through it are essential to the development of a more democratic dynamic in the transformation process, and, on the other, they end up carrying a series of problems and contradictions related to a developmental or corporatist logic into the government (especially on the Left and what is more problematic, at the very foundations of government support). We refer, in particular, to some movement dynamics within the PT and the MST, that, while supporting the Lula government most of the time, slip here and there in postulations inspired on national development or meritocracy.<sup>14</sup> It doesn't mean to say that social movements represent a problem for the government, far from it, they're its power source. We just wanted to point out some ambiguities of the process that can't be easily explained if we don't consider the political conjuncture.

In this sense, we don't hesitate to affirm that between 2002 and 2006 there was an expansion, but also a change, of the government's social base that, beyond being perceived and celebrated, produced important results in terms of political organisation: the social basis of the Lula government has incorporated the poorest sectors and regions of both the people and the country, while it lost much of the middle class support and the more radical currents of the Left. This becomes even clearer when we look, albeit briefly, to the political dynamics of the Lula government, a government set up and conducted in the form of a coalition that guarantees a highly unstable majority in Congress.

From this perspective, we can consider that the many disorganised have played, in some cases, the role that was expected would belong to the organised movement.<sup>15</sup>

## THE REFORMS

The actual reforms round is a direct consequence of the struggles and demands of the multitude: black, poor, indigenous and precarious in general who, identifying Lula as a receptive interlocutor, reassumed their struggle for democracy in that which is also one of the main strongholds of the neo-slaverist Brazilian elite. It is noteworthy, in this regard, the participation of the *Movimento dos sem-Universidade--MSU*, of São Paulo, whose proposal for affirmative action is the basis of *PROUNI--Programa Universidade para Todos* (University for All).

Similarly, the network of pre-*vestibulares* for black and poor (of which PVNC and Educafro are important examples)<sup>16</sup> also played an extremely important role in regard with reforms, as it released and supported most of the affirmative action proposals. Those movements lost much of

their strength and organisation due to the desired reforms implementation, and are still looking for new ways of positioning themselves in the struggle for the conquered rights maintenance, as happened last November when the state of Rio de Janeiro finally guaranteed the quota law.<sup>17</sup>

Indeed, the precarious multitude (informal, black, brown, Indians, poor, etc.) is extremely rich in the production of life and knowledge forms, based on what we call 'indisciplined' knowledge, struggling to start the process at first and helping to ensure its implementation once the reforms have gained real contours. Furthermore, the opening of Lula to the organised (and unorganised) social movements and the crossing of the government promoted by them raise multiple productions (even divergent, sometimes), so that, somehow, the solution to the democratic equation passes through recognition actions of a multiplicity of rights.

At the same time, some initiatives within the university challenge the social division that characterises and crosses it. Thus, some innovative movements have questioned in practice both the exclusion that marks the university and the compartmentalisation and the disciplinary separation to which the socially produced knowledge is subjected.

Recently, a comprehensive reform of the academic and the research institutions was put in course, recognising and valuing a series of the social movements demands. This reform, part of a broader one called PDE--Development Plan for Education--aims to promote a revolution in Brazilian education. Let us hold on, however, to the part that interests us, refers to the university opening to the many and its adaptation to the new winds of immaterial labour.

In regard to university access, this reform aims to promote it in three different ways: the first is through quotas for public schools students (which include racial quotas), aimed at setting up mechanisms for universities access that take into consideration the situation of extreme social inequality and at reestablishing the connection between school and public university.<sup>18</sup> At first, they were created from initiatives scattered throughout Brazil. With the rise of Lula, the quotas have become government policy and won a systematic format in the shape of a federal law, which is still waiting to be voted in congress.

Moreover, since its establishment spot in public universities, the resistance to affirmative action has been great, especially from the elite and those who deny racism based on anti-racist arguments, and they were even target of a large number of contesting actions in court.<sup>19</sup>

In this sense, although pointed as an attempt to racialise social relationships, the quotas have been developed in order to cope with a racist social reality, that even if it's not scientific, it is widely spread throughout society. In this regard, it should be argued that they do not relate to the idea of race, but of racism, prejudice based on colour. Materially, they're based on the existence of a forever denied gap that separates blacks, mulattoes and other mestizos from white Brazilians regarding to citizenship, income and social rights access.

In practice, affirmative actions as a whole, and the quotas, in particular, serve to ensure that the productive multitude are not subsumed in a single shade of gray (the mestizo) that serves as propaganda for the much touted 'racial democracy', while systematically denies the productive

power of the rainbow of colours, cultures and desires that characterises Brazilian society. Accordingly,

'The freedom of the multitude assumes the equality as condition for its exercise and therefore needs to produce a material that citizenship can only exist insofar as there is no separation between the subject and the exercise of sovereignty. Freedom is thus the exercise of the multiplicity of singularities. Crossbreeding form an infinite rainbow and the multitude, to be recognized as such, take affirmative actions in order to break the perverse correlations linking racism to inequality. In this sense, the multitude citizenship can only be material and, this way, universal'.<sup>20</sup>

A second model of affirmative action developed by the Lula government is the PROUNI--University for All Program, which introduces the topic of quotas in private universities and colleges. Through mechanisms of tax breaks, those institutions commit themselves to provide scholarships for low-income students who come out of public schools which, in Brazil, are worse quality than the private ones.

One problem that the government and the movements are facing in this area is that of private universities that refuse to open vacancies in the more profitable and prestigious courses, such as medicine, law and communication--as if the funds that finance the scholarships (through the mechanisms of tax waivers) were also private. Recently, the government, through the Ministry of Education, took a big step in this front and forced the universities to grant scholarships in these courses too, on what turned out to be an important victory for the many.

There is also the commitment of the Government to fill the unfilled university and private college vacancies by providing grants for low-income students through the same program. One must also not forget, as part of the affirmative actions, the demand for investments that subsidise poor students during their university studies, something that could be called the 'right to permanence'.

It should also be noted that since its inception, PROUNI has increased year after year and is almost reaching the federal universities (in number of places), representing, as we try to demonstrate, a progressive movement of 'publicisation' of Brazilian universities, both public and private.

Because of their growing symbolic and material impact, the quotas are probably the main innovation introduced by the Lula government in the Brazilian university context. However, at the long term, the reduced number of vacancies in public institutions are an important constraint to its universalisation. In this sense, the second and perhaps the most important measure to improve university access is the *Plano de Reestruturação e Expansão da Universidade*, or simply REUNI as it's called.

The REUNI stated objectives are to increase massively the number of vacancies in Brazilian federal universities, which means, in concrete terms, to increase them 120%, that is, more than double the number of vacancies in a period of five years (2012), and to ensure student permanence through policies aimed at student aid (to reduce the dropout rate).

To increase the number of vacancies new federal universities are being created, but also new units in existing universities, with emphasis on major cities within the country, new courses and new schedules for courses where there is available infrastructure, financial incentives for university infrastructure expansion and tendering for hiring new teachers. The project, accordingly, takes over and tries to develop the model of university reform which became known in Brazil as *Universidade Nova* (New University).

The *Universidade Nova* was initially developed in Bahia (UFBA) and had the immediate accession of two other universities, from Brasília (UNB) and São Paulo (UNIFESP). In addition, these three institutions were also pioneers in adherence to quotas as a university entrance mechanism, together with UERJ (Rio de Janeiro State University). The *Universidade Nova* principle is essentially a critique of the disciplinary model, proposing for its place, a university education by broad knowledge areas and, above all, more permeable, more open to the knowledge of the many.

A few months ago a unique selection tender for federal and other public universities was implemented. The tender, whose adherence is not required, but rewarded, will replace the traditional selection process (*vestibular*) in ways that evaluation favours thinking skills and critical thinking rather than content incorporation, with obvious impacts on the high schools organisation, all oriented according to the *vestibular* test.

Indeed, the *vestibular* became a device for social selection, on emphasising the amount of content over quality, leaves out a large amount of highly capable students, who lack of resources to pay for an education track. In addition, the access selection mechanism enables wealthy family youngsters that study in private schools (which are better than the public ones, in Brazil) to migrate to public universities in a way that explains much about the relationship that the Brazilian elite maintains with public spaces.

Finally, around the entrance tender grew up a veritable selection industry, with the proliferation of specialised institutions--which prepare youngsters for the test, the so-called 'pre-*vestibular* courses', for which the communitarian pre-*vestibular* networks are a collaborative response from the multitude, because:

'The freedom of the nomad, in state-owned universities, must come from the outside, from the social production machine, to drill the fences that protect the privileges within the knowledge control devices, in their molds for replication and maintenance of the social relationships. Nomads, as the pre-*vestibular* movement for black and poor or the cultural movements of the youngsters arising from the urban segregation, produce the public domain. The affirmative policies are a key element to open the surrounded space (of academic power) to the public domain of (universal) knowledge.'<sup>21</sup>

## CONCLUSION

Firstly, in regard to social rights, I hope I've been able to explain the urgent material question that its production includes. The access related problems must be understood, in this sense, in their concrete connection with the constitution of rights, whereas their actualisation is inevitably due to the movements' struggle. Or, in other words, the production of rights can only be effective if

accompanied by a struggle that materially guarantees them in terms of recognition, but also of access.

Moreover, and it serves as an attempt to summarise the reasoning now developed, but also to formulate a question to be considered in the future, it would be important to oppose to the European social movements autonomy, either regarding the student movement or the one related to precarious work, the government autonomy that exists in Brazil. Autonomy that is introduced from the top, many times, but that is not less democratic.

On the contrary, if we consider a government as democratic as it is its ability to let itself be crossed by the many, organised or not, the reform of the university, and more broadly, the social policies (at the same time productive) of the Lula's government express, to some extent, the production of the new operated by the contemporary social movements that unite in a common dynamic the struggle and the production, constituting values, lives and worlds.

In this sense, the 'rebellion against the constituted power', to use the words of Michael Hardt, takes on Brazil today the form of an anti-representation, a crossing through the government by the multiple questions raised by the movement, even though sometimes it results in hesitation and paralysis.

In this regard, we tried to affirm here the powerful singularity of the Brazilian case, in which the movements, organised or not, have had the merit to be heard. A case whose specificity, however, is also due, and above all, to the ability of the Lula government to introduce a innovative degree of opening, crossing and multiplicity to the democracy, and we're not referring only to Brazil. So, we affirm: the Lula government, with all its limitations and ambiguities, has been swept along by the many that make up the Brazilian society and, despite the dramatic depletion of the dependent national development process, lays the foundation for a more democratic and materially permeable society.

I return, therefore, in conclusion, to the observation at the beginning of this text, which said that the constraints that characterise an unequal and underdeveloped country like Brazil, while constituting a major challenge to be overcome, open in the historic linear time the possibility of a 'leap into the future' and the establishment of a proper time, creative and multiple as the multitude itself.

The case of the black students who enter the university through affirmative actions, indeed, is paradigmatic. The opening of the university to the many, in this sense, may represent a capture opportunity, even a subordinate insertion in the knowledge market, or a qualitative change in the order of the conflict, carrying it into the university and engendering forms of resistance from the inside, that position that the Vidya Ashram collective described as non-cooperation with the new forms of global exploitation in knowledge production.<sup>22</sup>

Thus, this is mainly an update of the figure of the *bachelor* that, as of old, perfectly expresses the contradictions and ambiguities along the process, ranging from the inclusion of blacks and poor in the Brazilian university circuit preserving their autonomy, and the risk of capture that perme-

ates this movement. Or, in other words, it is to affirm the current line of the conflict as one that puts on opposite sides a process aimed at deepening democracy, both in terms of access and in regard to relationships in the drive and derived from it, and another that seeks to capture the production of the common, through sophisticated mechanisms of power, networks of appreciation and affirmation of the capitalist command. Not the *bachelor* of the elite anymore, but the one related to knowledge production, versus the *bachelor* of the multitude, knowledge that breaks borders and creates freedom!

## NOTES

<sup>1</sup> Edu-factory Collective, *Toward*.

<sup>2</sup> Cocco, *Introduction*.

<sup>3</sup> Negri, *Cinco*.

<sup>4</sup> See URL: [http://www.ibge.gov.br/home/estatistica/populacao/populacao\\_jovem\\_brasil/comentario1.pdf](http://www.ibge.gov.br/home/estatistica/populacao/populacao_jovem_brasil/comentario1.pdf)

<sup>5</sup> See URL: [http://www.inep.gov.br/download/superior/censo/2007/Resumo\\_tecnico\\_2007.pdf](http://www.inep.gov.br/download/superior/censo/2007/Resumo_tecnico_2007.pdf)

<sup>6</sup> Estimated. The calculation was made based on IBGE and INEP data, both governmental institutions.

<sup>7</sup> Filho, *Universidade*.

<sup>8</sup> Souza, *Chauí*.

<sup>9</sup> Freyre, *Sobrados*.

<sup>10</sup> It is particularly remarkable, in this sense, the (absurd) concession, in Brazil, of 'special imprisonment' for the holders of university degrees, something that, as we insist, is linked to the recognition of a rigid

social hierarchy and whose development goes back as far the Empire.

<sup>11</sup> And which remains, largely, the same. Cf., in this sense Henriques, *Desigualdade*.

<sup>12</sup> Eder Sader makes a similar analysis in relation to the cycle of struggles that went through the greater Sao Paulo between the 70s and the 80s and which led, among others, to the creation of the Workers' Party (PT). Cf., especially, *Quando*.

<sup>13</sup> Negri, *Cinco*.

<sup>14</sup> We can mention, in this regard, the systematic critics that PT and MST sectors have made to the Programa Bolsa Família (a basic income program)--the largest social policy of Lula's government--for reasons ranging from corporatism to nostalgia (in relation to full employment that, paradoxically, never occurred in Brazil).

<sup>15</sup> It is worth noting the role played by the multitude of precarious during the crisis that shook the Lula government in 2005 when in his defense, stood (inclusive) against sections of the PT as a major ele-

ment of strength and support to government.

<sup>16</sup> PVNC--*Pré-vestibulares para negros e carentes* (pre-vestibulares for black and poor people).

<sup>17</sup> The approval process of the Quota Law (by the state court) can be interpreted as a tragic example of the present figure of the Freyrean *bachelor*. In May 2009, a group of this court stripped the affirmative action passed by the legislature and implemented by the executive in a highly questionable decision, both ethically and legally--and that was only reversed by a broad popular mobilisation.

<sup>18</sup> In Brazil, the 'ideal' route is one who leads the private school to public universities, both better and inaccessible to poor and black (the first by its high cost and the second by an organisation from access system that favours 'merit' to the detriment of democracy). In this sense, affirmative action can be understood as a means of making education effectively Brazilian government (and democratic) and, as such, a way of opposing the privatisation of university operated by the Fernando Henrique Cardoso a movement of 'publicity' that sector.

<sup>19</sup> Check note 17.

<sup>20</sup> Rede Universidade Nômade, *Manifesto*.

<sup>21</sup> Rede Universidade Nômade, *Manifesto*.

<sup>22</sup> Ashram, *The global*.

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# We won't pay for your crisis, we create institutions of the common!

**Claudia Bernardi  
and Andrea Ghelfi**

Last year, the biggest social movement of the last thirty years erupted in the Italian political scene centralising the issue of the crisis in its double meaning; on the one side, the global economic crisis that defines the state of contemporary economic financialisation,<sup>1</sup> and on the other, the university crisis and the Bologna Process.<sup>2</sup>

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The crisis of the university system is bound by the conditions of capitalistic production, which is to say that knowledge has become a central commodity of production and the most important source of contemporary capitalistic valorisation: in this context, the university becomes immediately productive as a central site in contemporary capitalism, so that university administrations have a close relation to capitalist valorisation.

This importance of knowledge inside capitalistic production underlines how the university crisis is strictly bound to the crisis of knowledge measurement, and how the financial crisis points out the inability to translate it into an artificial measure, attempting to valorise what is not measurable. In fact, the Bologna Process is the most obvious attempt to establish a co-optation mechanism of social cooperation and productive *potentia*: knowledge is measured through the introduction of credits (ECTS) that qualify study-time; there is a frenetic modulation and fragmentation of training courses; a dizzying acceleration of study-times; differential barriers to graduate studies; a multiplication of control mechanisms and discipline of living labour; a homogenisation and standardisation of academic paths. Knowledge de-qualification means limiting its circulation, stratifying its distribution and differentiating access to it--*déclassement* is a *dispositif* that reduces the ability and autonomy of production in order to create a hierarchy in

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labour market and society in general. At the same time, hierarchisation and stratification of the labour force need some measure because it is a necessary condition and a grid of intelligibility over which the process of hierarchisation can operate.

Furthermore, the central importance of knowledge as a commodity establishes a continuous *déclassement* of the contemporary workforce in the accumulation of qualifications and masters, whereas access is not restricted to an élite--on the contrary, differential inclusion becomes the main selection instrument, so that the reorganisation of knowledge system definitely becomes a central knot of struggles in the university and across the metropolis.<sup>3</sup>

In fact, this close relation between the university and the metropolis is paradigmatic when we analyse the contemporary precariousness of life and labour conditions. The investigation of the elements that redefine the relation between cognitive hegemony and the lowering of the material conditions of contemporary labour, between the new qualities of labour and the new forms of governance is, more than ever, a strategic issue. Analysing what role the crisis plays inside these relations could open a new space of enquiry able to single out possible battlegrounds for intensifying struggles inside cognitive capitalism and its various articulation in different contexts.

To put it briefly, the university is becoming a fundamental place for contemporary social conflicts, but this is not a new. Over the past years in Europe alone, significant mobilisations have sprouted in France, Austria, Greece, Germany, Finland, Serbia, Denmark and Croatia.

Despite the objective difficulties that constitutional unification projects are having, the Bologna Process is influencing all national reform processes, in the attempt to define a homogeneous application of its dictates. At the same time, along with this homogeneity, we find national specificity, immediate translation processes and differential temporal applications.

In fact, Italy was the first country in which the Bologna Process was fully implemented in Europe, working as a sort of laboratory for this new process through different legislative measures. All kinds of governments, the centre-left as well the centre-right, immediately translated the European indications into structural reforms of research and the university education system. Just as in the last years when several social movements expressed their opposition to this process and to the reforms signed by different governments (above all in 2001 and 2005), the Anomalous Wave opened a new space of conflict among all

levels of education, not only opposing reforms but also opening a field of conflict that involved the entire political scene, spreading a constituent process over the whole country.

## THE ITALIAN MOVEMENT OF THE ANOMALOUS WAVE

Last year was very important for the Italian struggles over the material condition of the cognitive production: the main point in this conflict was the education system. There were strikes, occupations and demonstrations, from primary and high schools to the universities; a general and diffused mobilisation against government disinvestment in public educational.<sup>4</sup> The movement started with the approval of a series of measures that hit the whole world of education, from elementary schools to research, in the context of generalised funding cuts. Heavy financial cuts constituted the essence of Gelmini's reforms, paving the way for the transformation of the university into a private institution in terms of funding, with a consequent total submission of the university to the needs of private capital.<sup>5</sup> For instance, the introduction of private institutions inside universities was implemented through the delegitimisation of the Academic Senate and the empowering of Administrative Council in which the 40% of members comprise private managers. This means that entrepreneurial forms are used as the only criteria to evaluate the compatibility of the university within the organisation of capitalist production.

Moreover, budget cuts led to the block of turnover, that is to say, a cut of research places that consequentially ends with a large presence of old professors: a step toward a gerontocracy faculty staff and a stabilisation of the power relation between professors inside the faculties.

Here, it is fundamental to take into account another feature of the Italian university: the persistence of feudal aspects inside the formal bargaining of academic organisational and managerial powers in the university. The pillars that sustain this power inside our universities--determining carriers and the distribution of funding--are constituted by personalistic power relationships, through promises and blackmail in order to measure the faithfulness of their subjects. If we add the tragic absence of a research market followed by private enterprises and the chronic poverty of public funds addressed to the research, we paint a clear picture of the elements that distinguish the Italian anomaly inside the European trend.

Furthermore, a central element of these juridical measures was normalising and disciplining student life, rendering university researchers increasingly precarious. To justify this frontal attack on education, the Italian government mounted a direct attack against students, based on the rhetoric of meritocracy and university under-productivity; they said that administrations weren't able to manage funds and students weren't prepared to work and were unsuitable for the job market. Far from establishing a meritocratic system, funding cuts and blocking turnover consolidated the old relations of power inside university departments through the role of our so-called 'Barons'.

At the beginning, the issue of a reduction of public funds was the most important element shared across the movements nationwide, but soon the claims concerning the modality of knowledge production opened other political debates. The critique of educational reform was set into a wider critique of the capitalist system and the economic crisis that directly struck the people whose conditions of life had been rendered more precarious and more uncertain through progressive

indebtedness (including students, following the Anglo-Saxon model) and a corresponding progressive degradation of knowledge. Moreover, Gelmini's reform introduced the so-called 'honour loan' that established the introduction of permanent debt within student life, assisted by the introduction of the part-time student. Being a part-time student means not being able to finish degree courses in time and thus being forced to pay double. This new figure clearly defines how differential inclusion and indebtedness operate as a tool of political command, making evident how students are central bodies of production today.

This is the context in which the student and researcher movement claims new rights; a movement that comes to terms with the impact of the economic crisis on the educational system after its initial phase, and with the cuts that immediately bring didactics and research activity of the universities to an increasingly deeper state of disqualification.

The main slogan circulating through occupied universities and demonstrations, 'we won't pay for your crisis', immediately testifies to the possible generalisation of the movement, trying to open a space of discussion in political discourses around the main themes of distribution of wealth, the construction of a new welfare system, foreseeing the political purpose of basic income as a possible field of struggles and as an hypothesis of escape from the blackmail of precariousness. The Wave movement immediately showed the affirmation of a newly emergent subject at the centre of politics, without representation, articulating forms of the social movements expression in pragmatic and non-ideological terms that hold politics to be an open and radical process.

Affirming the fullness present onto an absent future, an unrepresentable composition takes form in the streets, moving quickly inside the metropolis, unpredictable and unmanageable. Social movement practices are not confined inside university walls, creating a sort of ghetto. Above all, occupied colleges are increasingly a sort of base to organise ourselves, but the turning point in defining an innovative movement is the capacity to spread to the metropolis, to block the flux of production, visible to the whole city, to spread our political contents, communicating everywhere and blocking the central node of urban production.<sup>6</sup> Of course, self-management of university spaces had a central role for the movement; from the self-managed classroom to temporary occupations, the university is configuring itself more and more as a place of meeting, exchange, artistic and cultural production that involves multiple metropolitan subjectivities.

After the Wave, the university has become the scene of entirely self-managed artistic events all over the country: students impose the opening of university facilities after hours and they experiment with new forms of connection, of expression and of inquiry with others figures of metropolitan creation.

Living the university space also as a place of political organisation means opening the university to metropolitan assemblies, discussing the comprehensive themes of metropolitan transformations and the role that communicative production circuits perform inside these processes. Opening these physical spaces also means opening political spaces of new connection between the subjectivities of the metropolitan production and the many faces of the multitudinary prism.

Within one month, every Italian city was overwhelmed by the Wave, showing the new emergent pressures in the world of education: a long series of occupations, marches, flash mobs and road-blocks culminated in three days of national meetings and protests held in Rome from the 14th to 16th November. Those days could be read as the beginning of a constituent process that continues to develop: through a series of debates and workshops on the themes of research, education, work and welfare, the movement sketched out some guidelines for a new university. It is important to highlight that we did not develop a universalistic or idealistic model of university, quite the contrary; we opened a constituent process, called self-reform, starting from the university we already are in as a basis from which to make our university!

The self-reform process is the refusal to preserve the existing university and the impossibility of traditional reform. Self-reform is not a closed process or a definitive solution aimed at establishing a utopian university or a socialist project. Rather, self-reform is a constituent process, always changeable, that affirms the impossibility of transforming the university inside of the actual representative system, attacking representative decision making and defining a radical new process of the common. Self-reform does not only define what we are against, it's a process of creation and proposals, a redefinition of functions and finalities inside academia, to build up new forms of cooperation, create innovative and independent knowledge production and to define new goals. It is a process towards the construction of an autonomous institution, that is to say, institutions of the common. The self-reform process starts here: innovative process, productive action and managing the process itself.

In extreme synthesis, we could say that the self-reform process configures itself immediately inside every constituent practice able to immediately exercise another way of producing, another time, the time of transformation and emersion into a new institutionality. The three guidelines of this process were focused on self-education and didactics, the definition of a new mode of welfare and the issue of research and valuation. In this brief article we would like to highlight two of these issues as advanced points in the battle for our university.

## **SELF-EDUCATION: FLIGHT, QUALITY, ORGANISATION**

The Anomalous Wave movement has assumed self-education in the university as field of political practice: a constituent process, continuously crossed by moments of conflict with the purpose of redefining the relationship between living knowledge and dead knowledge, between self-management and subordination, between resistance to knowledge's common production and the vertical possibility of blackmail, between access to produced wealth and rent. Therefore, it is a process arising from the figures that live and produce inside the university-factory that want to affirm a common decision about educational and researcher processes in opposition to the rent of the public university and private interests.

If the Bologna Process involves the disqualification of knowledges and the *déclassement* of the material conditions of productive figures all around Europe, self-reform configures itself as a space of connection for different subjectivities assuming knowledge re-qualification and the battle around the distribution of produced wealth as a strategic battleground, moving in the direction of constructing new institutions. On one hand, self-reform rises from the failure of all reform attempts

made in the last decade that have tried to mould the education system from above, coming from the poverty of public education and from a crisis of consensus around the forms for regulating the cognitive workforce. On the other hand, self-reform's paths develop and take shape around a desire to redefine knowledge practices and the material conditions that influence the possibilities of its development. Connected to this desire, the process of a common constitution is the outline for developing new institutions. In *primis*, therefore, seeing the institution as a source of strength.

Research shows that there has been strong resistance to the Bologna Process in the university over the last few years: the refusal of disciplining study regimes, absenteeism from courses, attempts to define course curriculum with teachers and the push to insert exams into the individual study plan which often come from different departments can all be taken as examples of this resistance. They are micro-resistances, a living fabric that clearly demonstrates the desire for autonomy, mobility and self-determination that continuously exceeds the cages of knowledge measurement--the desire of knowing goes well beyond the state's educational offerings.

That is why we think that the node of a new institutionality has to be thought and acted upon starting from this *excess* in order to construct new cooperating powers able to implement and reinforce this desire of expression and research in an organised form, one obviously able to redefine power relationships, affirming new norms inside university halls. From the struggles of precarious researchers aimed at obtaining funds for independent research to the questioning of the knowledge evaluation criteria in the public university, a common project of consistence between different figures of the university world emerges: only within this tension between connection and autonomy is the development of new institutions of the common thinkable.

Let us now try to define some strategies for organisation, i.e. the formalities of constituent conflict inside which an autonomous university can be created.

Self-education is first of all a definite space of struggle defined by a common decision about the form and content of knowledge transmission and production. At this stage there are active courses and seminars being completely self-managed by students and researchers in nearly all of Italy's universities: in these independent seminars the themes, authors, bibliographies and course modalities are collectively discussed and decided upon. But self-education isn't restricted to a horizontal construction of knowledge, to new didactic and epistemological experiments: we are not interested in producing marginal spaces or counter-courses, we want to reclaim it all!

Credits (ECTS) are the attempt to artificially measure knowledge and a strategy for disciplining life-time. Self-education aims to take the sense out of this attempt from the inside: we claim more and more credits, year after year, for self-education, for an autonomous university that tries to free times and spaces, disjoining the rhythm of academic discipline. Self-education also tries to question the rigid university partition of knowledges, opening spheres of research through trans-disciplinary tension. In this way, the most interesting experiences are the ones that conjugate an innovative style of research and involve different university figures at the same time: students from bachelor, master and Ph.D. programs, with researchers, postgraduates and professors from different departments. Often, self-education interweaves didactic functions and research and increasingly puts the necessity to reclaim not only credits but also funds for these activities on their agenda.

The self-reform processes of the university also aim to widely impact didactic practices, providing the possibility of self-managing one's own formative career, changing classic frontal lessons into open seminars and building the conditions for increased autonomy in regard to the choice of the texts.

Another area of political research, born from the process of self-reform, directly concerns the subject of evaluation: it is only from the point of view of a struggle for a knowledge production independent of university castes and private interests, that a reflection about the topics of knowledge evaluation can be put on the agenda--a topic actually linked to the division of the public funds that are increasingly distributed to different departments and Italian universities in a differential manner. Inside this passage, the theme of common decision making and autonomous institutionality is evermore immanent to the identification of extenuating criteria decided in a collective form, able to oppose to the exercise of the vertical evaluation (from university departments to the student evaluation) with experiments of self-evaluation able to actuate the political priority of free social cooperation instead of the subordination and stratification constantly reproduced by the state university.

Self-education is primarily a *dispositif* of self-organisation while the university and dead knowledge accustoms students to accept reality without any capacity for critique. Self-education is the advice for analysing the trend of present-day transformations. Self-education seminars organise living, knowledgeable bodies inside and against the university-factory; in short, it is our *dispositif* of political organisation that continuously redefines the battlefields and goals of our struggle.

## A NEW WELFARE TO SURF THE CRISIS IN THE METROPOLIS

During the Anomalous Wave's demonstrations a shout persistently rang out 'we won't pay for your crisis!' clearly defining the centrality of economic demands and welfare issues within the political discussion. Even if our primary battlefield is the university, the Wave also opened a struggle on welfare issues as social security supplementary to income doesn't exist. Direct and indirect income became central demands in order to make autonomy and independence possible for everyone and, moreover, to refuse precarious forms of life. Welfare issues are so central to our demands because the democratic re-appropriation of welfare means guaranteed basic income for everybody.

The movement introduced to the Italian political stage the issue of labour as a battlefield in which different figures are strictly connected in the contemporary labour force. This emergence of re-claiming a new welfare rests on a few axis of analysis that we will briefly touch upon here.

First of all, there is no longer a distinction between education and work, that is to say, there is no 'before work' and 'after school' during our life; quite the contrary, we are immediately productive all the time for our entire lives, even inside university: thought and language, cooperation and affects are all means of production.<sup>7</sup>

Contemporary production is primarily based on unrecognised work: capital subsumes the whole society, everyone's time, knowledge and relations spread through its territories, so that language, knowledge and care work is increasingly trapped inside the valorisation process. The subjectivity is valued inside companies and there is no longer any distinction between life-time and labor-time, thus increasing exploitation because this productive process involves cooperation and life-time where no measurement is possible, where only increasing profit through continuous exploitation is the main concern.

Inside an economy characterised more and more by cognitive resource mobilisation across Europe, such a strong and generalised attack against education institutions can be interpreted as an attack against the cognitive composition of labour through a rhetoric that misreads the strategic character it plays in contemporary capitalism. We cannot reduce this attack to the question of an attack against the public university; on the contrary, it involves cognitive production as a whole. In fact, even the process of rendering precarious large components of the labour market is not only a consequence of the scarce bargaining capacity of single precarious labourers, but it is also a clear error in understanding the cognitive dimension of their work. In other words, as Carlo Vercellone writes, 'there is a devaluation of remunerative and employment conditions in relation to the real competence shared and produced inside labor activities'.<sup>8</sup> In this framework, even the division between intellectual and manual labour and the differentiation between skills is not objective but rather a tool of hierarchisation and control of the labour force.

Secondly, a characteristic element of labour today is undoubtedly the condition of precariousness which students are deeply involved in at all steps of their education and in later life, and it is not a collateral effect of capitalism; it represents the control, management and command of a new productive figure that is autonomous, intelligent and flexible. What we produce is not connected to a strict and determined time, no longer a series of gestures inside factory time. We produce outside and beyond the simple task and what we produce is increasingly related to education time, irreducible to what we learn inside academic institutions. The introduction of internships as full part of university education clearly shows how the student is a central figure in production at all levels. Far from being a part of student education toward the labour market, as governmental rhetoric claims, internships are unpaid labour in associations, government programs, companies, libraries and university administration offices.

Inside the crisis, the decision to apply different measures in order to redistribute wealth assumes a central role inside the university crisis while it implies disinvestment in research and the dismantling of the education system. The Wave does not merely speak to a specific subject, not paying for the crisis is the language of the whole of labour composition and contemporary precariousness-generalising the strike goes straight in this direction. In this sense, the movement refuses to pay for a double crisis, the financial crisis and university crisis.

Dismantling of welfare structures means privatising and appropriating the common through the government, and exploitation is part of the same process where subjection is a part of political expropriation when it refers to social and normative production.

Over the last years, the Italian government attacked outright all guaranteed figures in public administration, dismissing every kind of welfare and social security, completing the process of privatisation through the control of youth, the criminalisation of all dissent and making our lives more and more precarious. So, precarity also means a lack of future and no-time in the present, job uncertainty and reduced negotiation power, which is to say a new form of slavery that involves other subjects who, once protected, are now deeply affected by the crisis. As the subprime crisis showed, debt is the new protagonist of social security as income is distributed through credit while banks profit from people's debt and welfare state is completely destroyed--indirect income (like education, health and social services, etc.) is cut and ascribed to individuals. In other words, 'the more life and its forms and styles are put to work, as cooperation and social relations, affects and self-entrepreneurial ability, the less capital spends and the more cash it gets'.<sup>9</sup>

In this context, 'we won't pay for your crisis, the crisis must be paid by banks, companies, governments, and barons. We won't pay for your crisis, because we are the Wave that is their crisis!'<sup>10</sup> Precariousness is the form of governance under which the labour force sits today, the form of managing our autonomy, our cooperation and speed inside the metropolis. Thus, basic income, independent from all remunerated activities, is now a central demand of Wave movement.

When social rights are not guaranteed by public welfare, getting into debt represents a limit to our primary needs, like education and access to knowledge. An increasing number of people enter graduation courses as they sink into debt and start the process of *déclassement* of their knowledge. In this sense, conflicts over knowledge production move closer toward labour issues, the process of hierarchisation and new welfare. The old 'right to study', formally recognised even by the State's constitution, is again a battlefield for quality services, self-management and knowledge re-qualification.

Since research, study and socialisation are not paid for by the government, students of the Wave took up the immediate claim of money for their unpaid intern work as a central question. As in France in 2006, this movement fought to be recognised as a productive subject inside and outside the university, against the process of *déclassement* that involves all dimensions of cognitive labour and the public university. In fact, knowledge is a central commodity in contemporary capitalism and at the same time it is not scarce.

Different forms of conflict have been used by the movement focusing on all claims connected to welfare issues: blocking traffic to stop the circulation of goods and productivity inside the metropolis; flash mob actions and spontaneous blitz demonstrations (the so-called '*manif sauvage*') often arrived at the doors of the Minister of Economy and Finance in Rome to point out the responsibility of State authority in managing the university crisis; and also flash mob actions inside the offices of job recruitment centres. These claims put nationally highlighted precariousness and the fact that funding cuts were not an extraordinary measure taken because of the crisis, but were fundamental and permanent elements of contemporary production.

Indirect income has been reclaimed occupying theatres and cinemas, demanding free tickets to give us the possibility of enjoying collective cultural production in front of the sad backdrop of the Italian dismantling of funding for arts and culture: the occupations and demonstrations dur-

ing the Festival of Cinema in Rome and in Venice called for a new welfare of culture and artistic production.

Furthermore, as rent is the new form of profit in capitalistic production--as gentrification exploits student productivity to widen profit margins while the state leaves houses empty to increase property value--we reclaimed spaces through public campaigns in which we occupied houses against the university and the state to reclaim our autonomy.<sup>11</sup>

### **'RECLAIM OUR EDUCATION, RECLAIM OUR BODIES, RECLAIM OUR BRAINS'**

As a banner upon the occupied university of Vienna showed last month, the world of education cannot be separated from the subject that innovates knowledge production as living bodies. It is a common and important point of different struggles spreading all around the world. Beginning with the fact that a new cycle of struggles is taking place, even on a simple common principle of opposition to the Bologna Process, we should move beyond and start thinking about the political necessity of creating common languages, moments of discussion, organisations and resistance as possibility of connection.

An articulated and complex Wave is overwhelming the contemporary realm of production, a different language is subverting the old channels of knowledge transmission, a new space is disarticulating the division of areas and national borders, constituent processes and demands are spreading through the universities. This is our time!

#### **NOTES**

\* Claudia Bernardi and Andrea Ghelfi are members of Uniriot Network that is part of the Italian anomalous wave. See: <http://www.uniriot.org/uniriotII/>. This text has been revised in English by Jason Francis McGimsey.

<sup>1</sup> For an in-depth analysis of the economic crisis, see Mezzadra and Fumagalli, *Nothing will ever be*.

<sup>2</sup> The Bologna Process officially began in 1999, after a meeting of twenty-nine Eu-

ropean Ministers of Education in Bologna in September 1998. This process aims to create a homogenous area of higher education in Europe through a series of changes such as the introduction of the 3+2 system (bachelor plus master, instead of a single four year study cycle), the introduction of credits (ECTS), the promotion of mobility and cooperation, the establishment of permanent education, the homogeneity of qualifications and didactics programs and the promotion of European education outside Europe.

<sup>3</sup> On the relation between the university and the metropolis, we refer to De Nicola and Roggero, *Nine thesis*. As a constituent space of conflict between the university and the metropolis, we refer to the experiences of ESC Atelier (<http://www.escatelier.net>, occupied in November 2004) and Bartleby (<http://www.bartleby.info>, occupied in March 2009).

<sup>4</sup> The juridical measures for primary schools consisted mainly on the introduction of the 'single teacher' (instead of the previous two or three teacher system), the increase in the number of students for each class and the introduction of a behaviour grade as a discipline measure able to flunk high schools students.

<sup>5</sup> Maria Stella Gelmini is the Education Minister of Silvio Berlusconi's government.

<sup>6</sup> Even if university occupation was not the main tool of struggle, occupations of primary schools by teachers, parents and children produced an extraordinary experience during the autumn of 2008.

<sup>7</sup> For an in depth analysis, see Vercellone and Negri, *Il rapporto capitale*.

<sup>8</sup> Vercellone and Negri, *Il rapporto capitale*.

<sup>9</sup> Raparelli, *La lunghezza*, 86 [our translation].

<sup>10</sup> National Assembly of 15th-16th at La Sapienza University in Rome, 'The self-reform process-workshop on welfare', [http://www.uniriot.org/index.php?option=com\\_content&task=blogcategory&id=38&Itemid=130](http://www.uniriot.org/index.php?option=com_content&task=blogcategory&id=38&Itemid=130).

<sup>11</sup> For instance, on July 8th, 2009 students occupied an empty house, deemed 'Point break', near La Sapienza University in a Roman neighbourhood threatened by a fierce gentrification process. See: De Nicola and Roggero, *Nove tesi*; Raparelli, *La lunghezza*; Vercellone and Negri, *Il rapporto capitale*.

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# Squatting the crisis

## On the current protest in education and perspectives on radical change

**Lina Dokuzović and  
Eduard Freudmann**

'We won't pay for your crisis!' has echoed throughout universities worldwide. The significance of this is that the statement's momentum has not only spread throughout educational institutions, but has also been present in other areas of society, bringing attention to the general failure of neoliberal capitalism and its appropriation of all spheres of life.

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WORKS AT THE OCCU-  
PIED ACADEMY OF FINE  
ARTS VIENNA

What has been defined as the 'crisis in education', which should be remedied through a wave of reforms, has been dealt with in terms of economic crisis-based measures, with measures for increasing profit. A homogenisation in the way of a reform wave has taken place through the Bologna Process for establishing the European Higher Education Area (EHEA). Through this regulated norm of educational standards of comparability, Europe aims to enter and be at the forefront of the growing competitive knowledge economy and of research-based profit, through the parallel establishment of the European Research Area (ERA). The systematic removal of democratic structures in universities in Austria has been taking place with the implementation of the Bologna Process. Democratically elected bodies have been degraded to a kind of staff committee, while the dean's office has been upgraded to a CEO-like singular leading body, which is checked and balanced by a university-external supervisory board, the so-called University Board.

Universities are not only increasingly being run like corporations, but a smooth transition to what much of Anglo-American or international private schools have been subjected to is taking place. They are being run BY corporations. An example of corporate shareholder interest

can be seen in the international media corporation, Bertelsmann, having recently sold their shares in Sony, stating they would begin investing into education instead, since it is becoming more profitable than the music industry.<sup>1</sup> Through the reform processes, an education economy with knowledge as a tradable commodity has been created. The result has not only been that education is considered profitable, but that education itself can be measured and sold. This correlates to the principles of the all-embodying privatisation and commodification within neoliberal capitalism. In Australia, for example, one of Europe's major competitors in the international education market, education services ranked as the third largest export industry, behind coal and iron ore, according to 2006-07 figures.<sup>2</sup>

## THE ACADEMY OF FINE ARTS VIENNA IS SQUATTED

Following the dissatisfaction resulting from a lengthy process of attempts to democratically negotiate the future of the institution, a public meeting was called by the Academy's students and staff in front of its main building on October 20th, 2009. A statement was read out, which called for the reinstatement of the democratic structures that had been systematically removed in the course of establishing a system of increased competitiveness and commodification of the institution and everything within its walls. A list of precisely articulated demands was then read out to the dean. He was called on to fulfill his duty and represent the position of the institution rather than taking a gamble in his own professional and profitable interests, in the negotiation of the Budgetary Agreement with the Ministry of Science and Research, on the following day. A proclamation of solidarity was then expressed with all the protestors against educational reform around the world, which then included: Bangladesh, Brazil, Croatia, Finland, France, Germany, Great Britain, Greece, India, Iran, Italy, Japan, the Netherlands, Serbia, South Africa, South Korea and the U.S.A. Subsequently, approximately 250 individuals entered the building and occupied the assembly hall, the most representative space in the institution. The squatters installed a plenum in a grassroots democratic structure, whereupon it was decided that the space would remain occupied until the demands were met.

Two days later, a group of Academy staff and students protested in front of the Ministry of Science and Research, expressing their dissatisfaction and rejection of the Budgetary Agreement, a legally-binding contract that defines the performance of the former in relation to the amount of financing by the latter, which was being negotiated in an entirely non-transparent and non-democratic fashion at that very moment. The demonstrating group continued to several other university auditoria and major spaces presenting the situation, bringing the students and staff present along with them, increasing the group's size, snowballing, until it ended up in Austria's largest lecture hall, where a plenum was held, declaring that space squatted. The representation and size of that space was significant, as it brought immediate media attention, which has focused primarily on the events of that singular space ever since, although over the following days, the protests expanded rapidly to a number of other universities throughout Austria and expanded to or joined those existing across Europe, bringing hundreds of thousands of people into the streets in protest. There are 76 universities in nine countries throughout Europe, with more being continually announced, squatted at this very moment.<sup>3</sup>

## EMANCIPATORY SPEECH AND DECENTRALISATION

The processes within the context of the protests have taken place through a grassroots democratic structure of collective decision-making, carried out in regular plenums. Tasks and insights are assigned to working groups, which maintain a dynamic fluctuation of participants. The intention of non-hierarchical forms of communication, established through some basic rules, have aimed to encourage all those present to actively contribute to discussions. Since representing the protests is a task which no one person can or should accomplish alone, it is vital that no spokesperson(s) is/are selected, but rather that a consistent rotation of speakers takes place. The consequence is a low rate of NLP (neuro-linguistic programmed) speeches, presenting the demands and expressions of the groups in a manner which is not trained or conditioned. This form of direct communication represents an emancipatory speech act, because existing codes of commodified language and the sale of speech are rejected through the very mechanism of the act of speaking itself.

Another significant element, resonating throughout the protests on all levels, has been decentralisation. It has derived from the very process, which has taken place over recent years, of the de-democratisation of universities within which all democratically-legitimised regulating bodies have been degraded to a pseudo-democratic facade, and thereby entirely disabled. The fact that the protests have not been led by individuals elected through procedures of representative democracy and have not been associated with parliamentary parties, left politicians, such as deans or the Minister of Science and Research perplexed, not knowing how to handle the protests. The decentralisation not only refers to the aforementioned fluctuation, but also refers to direct actions, such as the temporary squatting of the vice dean's office at the Academy of Fine Arts, squatting the cafeteria at the Ministry of Science and Research or taking over the stage during a play at the Burgtheater, Vienna's most renowned theater.

## TAKING OVER THE WHOLE DAMN BAKERY

Overall, the protests have not been limited to de-hierarchisation, appropriation of space(s), self-organisation and the examination of the conditions of work and study. They have rather been dominated by demands, criticism and claims that go beyond the immediate context of education and universities, expanding to the identification of how the neoliberal capitalist market logic has infiltrated all parts of life, commodifying and isolating them through racist and sexist policies of exclusion, deteriorating the very collectivity the protests have aimed to establish. The realisation that the fight for an improved educational system cannot be made specific but must instead reflect and depend on changing the very structure and system that produces it, not through homogenising top-down reforms, but through grassroots democracy, evidences the authenticity of the protests. It's not about asking for a bigger piece of the pie or having the whole pie to yourself -it's about taking over the whole damn bakery.

Strategies of appropriation by related political players began two weeks later. They culminated into absurd declarations of solidarity, consisting of groups such as the Burgenland State Government. Such groups, as well as the deans and representatives of various universities, began instrumentalising the impetus of the protest for their own aims, such as additional budgetary policies

and agreements. Even the Minister of Science and Research thanked the protestors as they improved his position within the budgetary negotiations with the Minister of Finance. However, the violent repressive measures taken in the U.S. and Germany against the peaceful protests<sup>4</sup> stand in contradistinction to the 'reformed' measures of appropriation or 'non-hostile takeover.'

The rebellions and protests of the 1968 movement (lagging by several years in Austria) left behind an understanding of how to strategically deal with future protests, resulting in repressive measures becoming counter-productive. The instrumentalisation of protests enables the neutralisation of all subversion. The appropriative strategies then progressed into the developing neo-liberalised system, in which many people from the 1968 generation now hold key power positions. Beyond appropriation, there have been strategies of infantilisation, which could be seen as being rather well-meaning. This is inherent to the very structure of traditional education, with the learned master gaining control of the unlearned one through structures of stultification, strategically imparting knowledge when seen fit. Based on their own Marx-to-market-biographies, the system representatives accept a certain dose of rebellion, as they understand it to be an educational process in which their assumed successors are being taught political skills and strategies that are fundamental for successfully fulfilling their future functions and handling their future task area--turning the education protests into educationalised protests.<sup>5</sup>

## **ART AND ART SCHOOLS AS A PARADIGM FOR NEOLIBERAL CAPITALISM**

The fact that the protests in education in Austria were initiated within an artistic institution is not to be disregarded. As the logic of (neo-)liberalism is based on the freedom of the individual, the artist and his/her artistic liberty perfectly fills its shoes. In fact, not only does the desire and trend of bringing artistic institutions closer to marketable creative industries exist, rather art and the art school can be seen as a paradigm for neoliberal capitalism, with the artist and the cultural producer as role models for an increasingly neoliberalised job market.<sup>6</sup> The flexibility and infinite creativity, teamed with self-discipline and precarious work relations lie at the core of the artist's profession.

The implementation of Bologna Process-related reforms at the Academy of Fine Arts Vienna, such as the replacement of the old master class system with the B.A./M.A. structure, was delayed due to a peculiar alliance between the individuals of the older tradition and the more progressive ones, keeping the developments in limbo. Many of the former felt threatened by the reforms, due to their orientation towards science and scientific models, an academic sphere which threatened both their knowledge and their refuge in the 'autonomy of art'. The more progressive generation, however, did not believe in the autonomy of art; but subject to precarious labour conditions and the economised market logic, they opposed the reforms. Thus, a dubious symbiosis stalled the new system.

The story of *The Sorcerer's Apprentice*, by Goethe, begins with an old master sorcerer leaving his apprentice to do his chores in his workshop. Tired of the tedious task, he makes his water-fetching more efficient by enchanting a broom. Not being skilled enough to control the enchanted broom, he tries to destroy it with an axe, splintering it to pieces. Nevertheless, all of the pieces

become new brooms, continuing the tasks, out of control. The progressive brooms turn against their new master. The story ends, however, with the spell being broken as the old master returns, the brooms disenchanting and all restored to their old order. Neither the system of the old nor the new master could retain stability without a bit of magic, but the old master's method managed to direct the brooms correctly for the time being.

In the case of the Academy, the co-operation between the old master class system supporters and the more progressive individuals functions, while the uncontrollable enchantment of the new neo-liberalised system brings things out of order--not because it is necessarily the worse system, but because those who have depended on the old structure for a long time adapt any progressiveness to their own model. The irony, however, is that this inclination towards artistic 'autonomy' tends very closely to the artistic 'liberty' that allows the artist to create the perfect neo-liberal mold. The whole logic begins rotating at that point--like a dog chasing its own tail.

A profession greatly based on individualisation, image and uniqueness has come to its own crisis, where the striking students and teachers have stopped training each other and themselves in how to continue a greater individualisation of themselves, at the moment when they joined to collectively resist the structure. After running in circles for years, and being seriously endangered by vertigo-induced collapse, it marks a point where the protagonists finally caught what they were chasing, which made them realise that it was in fact their own tails that they had been chasing for years. Art and education serving capital and serving as models for capital had been exposed. However, one must not remain in the celebration of that moment, but rather continue to challenge and question this as a moment of transition, instead of utilising collectivism as a training ground for one's future career as a unique, innovative persona. The structure which has been ruptured and challenged must not support a cycling back to the same structure. In fact, the great irony of the situation is not that the current wave of international protests was sparked in a country like Austria, which is dominated by a tradition of 'social partnership'.<sup>7</sup> It lies in the fact that the art school, being just another tool in the machinery of the production of neo-liberalised individuals surfaced, exposing the paradox of the entire system that was constructed around them.

## THE 'CRISIS IN EDUCATION' AND THE CAPITALIST CRISIS

How can this transition be utilised in a constructive way in order to continue these occupations and resistance, and more importantly to restructure the problematic apparatuses of education and related structures, such as the arts, from the bottom-up for the future? Some protestors have referred to creating an 'infinite scenario' model of protest, in which the spaces that were reclaimed and appropriated remain self-organised without compromise. In fact, after the long-lasting history of neo-liberal reforms, the deepest point of de-politicisation may have been reached, and the worldwide education protests could mark the turning point for a re-politicisation to follow. In this regard, it is necessary to view the current 'crisis' in education in direct proportion to the economic crisis. This correlation very visibly shows the attempts of making education a new frontier for the capitalist crisis to invest its dwindling assets into, and therefore we repeat... WE WILL NOT PAY FOR YOUR CRISIS!

An economic crisis, which in fact reflects the very failure of capitalism itself--a system fundamentally rooted in inequality, exclusion and the creation of the 'other', actually leading to the death of the 'other' for profit<sup>8</sup>--shows a very extreme level of general social crisis. This must be taken into account while battling all related crises, the one in education as well. If this is not taken into consideration, then an undeniable repetition and reproduction of the all-embodying capitalist reality will result.

## RESIDENCE RIGHTS AND THE FREEDOM OF MOVEMENT FOR EVERYONE

During plenums, interviews, presentations and speeches, people with no prior speaking ability took the stage. This has two potentialities, as aforementioned--that of educating better managers and that of creating a decentralised structure of democratic discussion and representation. The benefit to those who are incapable of speaking well by being given a chance to speak is a start. But what needs to be looked at is the difference to those who are incapable of speaking at all, because they are either not allowed to speak (women being sexistically slandered and assaulted, Muslims being booed off of stages, migrants being ignored, etc.), and the difference to those who cannot afford to be present. Here, we mean those who are forced to work precarious illegal or semi-legal jobs at all hours of the day and night as they are subjected to racist immigration laws<sup>9</sup> and the racist University Law,<sup>10</sup> while having to uphold the best grades and attain a maximal level of productivity in their studies in order to legally remain in the given country. To return to the metaphor of biting one's own tail rather than chasing it: those who spend their time searching for food cannot afford to occupy themselves playing with their tails. The central demand of the protestors, 'free education for everyone!' can only be approached and granted if the freedom of movement for everyone exists beyond national or supranational borders.

The last Lisbon Agreement proposed that the coming agreement (December 2009) amend education as the fifth freedom of the EU, along with capital, services, goods and citizens, in order to strengthen the grounds of the EHEA. The structure should allow maximal mobility of people throughout the EHEA, supported by the Bologna Process. The profitable goals of creating a European Higher Education Area, which should supposedly bring about the 'new Renaissance'<sup>11</sup> in Europe, would begin to crumble if the reality between mobility and migration were confronted.

Accordingly, we would like to amend the statements and demands made until now, stating that until the mentioned social reality is confronted, democracy as such cannot truly function. We, therefore, propose that as a first step, the 34 million euro that was recently 'awarded' as an emergency measure to the universities by the Ministry<sup>12</sup> be used to create a basic platform for financing and supporting that EVERYONE--taking those subjected to oppressive racist and sexist policies into consideration--can participate in the protests, so the real protest can in fact begin. In addition, the next measure must be that future monies be used for the creation and maintenance of a platform which would ensure that democratic participation. Only then can we continue to articulate our demands and direct our attention to the changes within the university structures for planning the investment of future monies. Successful progress, which does not reproduce discriminating forms of unequal advantage and disadvantage, is only possible if each and every structure of oppression that was consciously addressed in the protest, is directly and primarily confronted and

fought against. Insofar as these struggles are isolated from one another, they inevitably become part of the capitalist appropriation of all spheres of life. The only way to truly achieve radical change is to link together the various struggles which are a part of it.

## NOTES

<sup>1</sup> See URL: <http://www.wallstreet-online.de/nachrichten/nachricht/2488718.html>; URL: [http://www.ft.com/cms/s/0/2126f740-631b-11dd-9fd0-0000779fd2ac.html?nlick\\_check=1](http://www.ft.com/cms/s/0/2126f740-631b-11dd-9fd0-0000779fd2ac.html?nlick_check=1)

<sup>2</sup> See the Australian Bureau of Statistics. URL: <http://www.isana.org.au/files/AEI%20March%20sshot%20expt%20income.pdf>

<sup>3</sup> See URL: [www.tinyurl.com/squatted-universities](http://www.tinyurl.com/squatted-universities)

<sup>4</sup> See, for example, URL: [http://www.youtube.com/watch?v=rOI5l2\\_RghQ](http://www.youtube.com/watch?v=rOI5l2_RghQ); URL: <http://ow.ly/Ehix>; URL: <http://twitpic.com/qb6qu>; URL: <http://tinyurl.com/ygl-zurr>; URL: <http://edition.cnn.com/2009/US/11/22/california.student.protest/index.html>; URL: <http://www.bildungsstreik-hd.de/2009/11/22/gewaltsamer-polizeieinsatz-gegen-landesweite-bildungsstreik-demonstration-in-stuttgart/>

<sup>5</sup> The 'educationalization of capital' is a phrase coined by Martin, *Pedagogy of Human Capital*.

<sup>6</sup> See, for example URL: <http://eipcp.net/transversal/1106/lorey/en>

<sup>7</sup> A cooperative relationship between the

trade union and the Austrian Chamber of Commerce with the goal of extinguishing social and political conflicts through policies of consensual agreement, therefore, leading to the impossibility of radicality, protest or antagonism.

<sup>8</sup> 'Necropolitics and necroeconomics, as practices of accumulation in colonial contexts by specific economic actors--multinational corporations for example--that involve dispossession, death, torture, suicide, slavery, destruction of livelihoods and the general management of violence'. See Banarjee, *Live and let die*.

<sup>9</sup> In Austria, a non-EU/EEC citizen must provide proof of possessing at least €6,210 per year, along with other evidence of successful study, minimal course completion, clean legal record, etc. in order to receive approved or extended legal residence under a student resident permit. However, this quantity is not possible to obtain through legal work as income is strictly regulated and limited to under €300 a month.

<sup>10</sup> Although often being referred to as 'abolished', tuition fees in Austria are still active. The amendment of the University Law in 2008 merely disburdens selected groups of students, the largest one is Austrian or EU-citizens studying within the prescribed

study term, whereas non-EU citizens still pay as if nothing ever happened.

<sup>11</sup> See the European Commission, Preparing Europe. For an analysis of the colonial roots of the Renaissance, see Mignolo, *The darker side*, 808-828.

<sup>12</sup> This amount, just a drop in the bucket for all Austrian universities on all levels, was granted after having been removed in recent budget cuts. It has been retained as the 'Minister's reserve' for disciplinary measures.

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# Appendix

## Nothing will Ever be the same

### Ten thesis on the financial crisis\*

#### Uninomade

**UNINOMADE** IS A NETWORK COM-  
PRISED OF MILI-  
TANTS, SCHOLARS,  
RESEACHERS, STU-  
DENTS AND ACTIV-  
ISTS. SINCE 2004,  
UNINOMADE HAS  
ORGANISED CONFER-  
ENCES AND SEMI-  
NARIES ON VARIOUS  
TOPICS: LABOUR,  
GOVERNANCE, WAR,  
NETWORK, UNIVER-  
SITY, COMMON. THE  
GROUP HAS ALSO  
PUBLISHED SEVERAL  
BOOKS: *GUERRA  
E DEMOCRAZIA*  
(MANIFESTOLIBRI,  
2005) AND *CRISI  
DELL'ECONOMIA  
GLOBALE. MERCATI FI-  
NANZIARI, LOTTE SO-  
CIALI E NUOVI SCENA-  
TI POLITICI* (OMBRE  
CORTE, 2009), AND  
SOON AVAIBLE IN  
ENGLISH TRANSALA-  
TION, *CRISIS IN THE  
GLOBAL ECONOMY:  
FINANCIAL MARKETS,  
SOCIAL STRUGGLES,  
AND NEW POLITI-  
CAL SCENARIOS*  
(SEMIOTEXT(E), 2010)

#### THESIS 1. THE CURRENT FINANCIAL CRISIS IS A CRISIS OF THE WHOLE CAPITALISTIC SYSTEM

The current financial crisis is a systemic crisis. It is the crisis of the whole capitalistic system as it has been developing since the 1990s. This is dependant on the fact that the financial markets today are the pulsing heart of cognitive capitalism. They finance the activity of accumulation: the liquidity attracted to the financial markets rewards the restructuring of production aimed at exploiting knowledges and the control of spaces external to traditional business.

Furthermore, thanks to the distribution of capital gain, financial markets play the same role in the economic system that the Keynesian multiplier (activated by deficit spending) did in the context of Fordism. However--unlike the classic Keynesian multiplier--this leads to a distorted redistribution of revenue. So that such multiplier is operative ( $> 1$ ) it is necessary that the financial base (i.e. the extension of financial markets) constantly grows and that the matured capital gain is on average higher than the average wage depreciation (that, since 1975, has been about 20%). On the other hand, revenue polarisation increases the risk of debt insolvency which is at the base of the growth of that same financial foundation and lowers the median wage. Here is a first contradiction whose effects are visible today.

Thirdly, financial markets forcefully redirecting growing parts of labour revenues (like severance pay and social security, other than revenues that, through the social state, are translated into state health programs and institutions of public education) substitute the state as the main provider of social securities and welfare. From this point of view, they represent the privatisation of the reproductive sphere of life. They therefore exercise biopower.

The financial crisis is consequently a crisis of the structure of the current capitalistic biopower.

Lastly, the financial markets are the place where capitalist valorisation is fixed today, which is to say the exploitation of social cooperation and the rent from general intellect (cf. Thesis 2).

On the basis of these considerations, it is necessary to understand the difficulty in separating the real sphere from the financial one. Proof of this is the effective impossibility of distinguishing the profits from financial rent (cf. Thesis 8).

## **THESIS 2. THE CURRENT FINANCIAL CRISIS IS A CRISIS OF THE MEASUREMENT OF CAPITALISTIC VALORISATION**

With the advent of cognitive capitalism, the process of valorisation loses all quantitative measuring units connected with material production. Such measurements were in some way defined by the content of labour necessary for the production of merchandise, measurable based on the tangibility of production and on the time necessary for production. With the advent of cognitive capitalism, valorisation tends to be triggered in different forms of labour that cut the effectively certified work hours to increasingly coincide with the overall time of life. Today, the value of labour is at the base of capitalistic accumulation and is also the value of knowledge, affects and relationships, of the imaginary and the symbolic. The result of these biopolitical transformations is the crisis of the traditional measurement of labour-value and with it the crisis of the profit-form. A possible 'capitalistic' solution was measuring the exploitation of social cooperation and general intellect through the dynamics of market values. In this way, profit is transformed into rent and the financial markets became the place where labour-value was determined, transformed into a financial-value which is nothing other than the subjective expression of the expectations for future profits generated by financial markets that, in this way, lay claim to rent. The current financial crisis marks the end of the illusion that financing can constitute a unit of measurement for labour, at least in contemporary capitalism's current failure in cognitive governance. Consequently, the financial crisis is also a crisis of capitalistic valorisation.

## **THESIS 3. THE CRISIS IS THE HORIZON OF DEVELOPMENT FOR COGNITIVE CAPITALISM**

Traditionally, the phenomena of crisis in the world of capitalistic production were classified in two main categories: crises that are derived from the exhaustion of a historical phase which represented the conditions to open a potential perspective of change, and crises that come about as a consequence to a change in the historical phase of the new socioeconomic paradigm that arduously tries to impose itself. The first case has been called 'crisis of saturation', while the second a 'crisis of growth'.

Following this model, the current crisis could be defined, unlike the one in the '70s and in the same way as the one in 1929, as a 'crisis of growth'. It finds its harbingers at the beginning of the '90s, when the characteristics of cognitive capitalism began to configure themselves and the last phase of the crisis in the Fordist-Taylorist paradigm (or 'post-Fordism') was brought to an end.

In fact, ever since the second half of the '70s the irreversible crisis of the Fordist-Taylorist paradigm, founded on the productive model of the large company and Keynesian policies born from the 1929 crisis and the Second World War, has been developing.

During the '80s, in the so-called post-Fordist period, there were different social and productive models that precluded the surmounting of Fordism without, however, being able to establish a dominant and hegemonic paradigm.

At the beginning of the '90s, after the financial crack in 1987 and the 1991-1992 economic recession (alternating with the fall of the Berlin Wall and the first Gulf War), the new paradigm of cognitive capitalism began to unravel itself with all its contemporary force and instability. The role of the financial markets, together with the transformations in production and labour, were redefined in this context, while the role of the nation-state and Keynesian welfare were structurally modified; this meant the decline of forms of public intervention as we had known them in the preceding historical stage.

Today's financial crisis, which follows other crises that have taken place in the last fifteen years, systematically and structurally highlights the inconsistency of the regulatory mechanism of accumulation and distribution that, up until now, cognitive capitalism has tried to give itself.

Let it be clear, however, that talking about the current crisis in terms of 'crisis of growth' does not mean in any way advocating the 'automatic' triumph of the present phase in a positive and socially satisfying way. At the moment, in fact, not only it is still impossible to recognise an exit strategy for such crisis, but the very nature of crisis itself is changing. It is no longer limited, if it ever was, to a descendent phase of the economic cycle in linear relation to the development that preceded it and the struggles that follow it. In the case of 1929, the crisis was overcome with the Fordist regulation paradigm thanks to the New Deal and the Second World War. Today (cf. Thesis 9), such a perspective cannot be given. Where capitalistic accumulation is reproduced in the subsumption of the common, the crisis becomes, in fact, a permanent process. In this framework, the very category of economic cycle should be radically rethought, in the light of the transformations in labour, the impossibility for capital to organise the productive cycle a priori and the shifts of the spatial-temporal coordinates determined by globalisation. The occurrence of economic-financial crises in such a brief time span (from the East-Asian crisis of '97, to the fall of the Nasdaq in 2000, up to the crisis of the debt system and subprime loans, to name but a few), making the reconstruction of the cyclic dynamics--even if only ex-post--impossible, demonstrates this fact. This means that many roads are open. It is up to the will of transformation and social movements' political action to choose the right one.

#### **THESIS 4. THE FINANCIAL CRISIS IS A CRISIS OF BIOPOLITICAL CONTROL--A CRISIS OF GOVERNANCE THAT DEMONSTRATES A SYSTEMIC STRUCTURAL INSTABILITY**

The current financial crisis demonstrates that an institutional governance of the processes of accumulation and distribution founded on finance is not possible. The (ex-post) attempts at gover-

nance that have been launched in the last few months are hardly able to affect the crisis under-way. It couldn't be otherwise if one considers that the BIS (Bank for International Settlements) estimates the value of derivatives in circulation at about \$556 trillion (equal to 11 times the world GDP). Over the course of last year, this value was reduced by over 40%, destroying more than \$200 trillion in liquidity. Once more, toxic assets circulate according to a 'viral' modality, and it is literally impossible to know where they are nesting.

The monetary interventions of the injection of new liquidity carried out worldwide until now do not amount to more than \$5 million: a mere drop in the ocean of value, a sum structurally insufficient to compensate for the losses and invert the tendency to decline. What follows is that the only possible political governance is to attempt to modify the climate of trust, or rather, act on languages and conventions, in full respect of those institutions, real and/or virtual organisations that are able to dynamically influence the so-called 'public opinion'. Nevertheless, against an 'excess' of the effective weight of the crisis, which is not quantifiable even for the operators most intimate to financial market dynamics, thinking to stigmatise fraudulent behaviours or to inject doses of trust seems completely inadequate and impracticable.

Hence the crisis of governance is not only a 'technical' crisis but also, most importantly, a 'political' crisis. We have already seen (in Thesis 1) that the condition for financial markets to be able to support phases of expansion and real growth is a constant increase of the financial base. In other words, it is necessary that the share of global wealth redirected toward financial markets continually grows. This implies a continuous increase in the relations between debt and credit, either through the increase of the number of people in debt (the degree of financial market extension) or through the construction of new financial instruments that feed on pre-existing financial exchanges (the degree of intensity of the financial markets). Derivative products are a classic example of this second modality of expansion of the same financial markets. Whatever the factors taken into consideration, the expansion of financial markets is necessarily accompanied by both the increase in debt and by the speculative activities of the risk associated with it. It is an intrinsic dynamic in the role of financial markets as a founding element of cognitive capitalism. Speaking of an excess of speculation due to manager or bank greed makes absolutely no sense and can only serve to deviate the attention from the true structural causes of this crisis. Necessarily, the final result is the insustainability of an ever-growing debt, above all when high-risk sectors of the population begin to be too far in debt: the social strata that, following the process of labour precariousness, find themselves in the condition of not benefiting from the wealth effect that participation in the stock earnings permitted the more well-to-do social classes. The insolvency crisis in real-estate mortgages thus finds its origin in one of the contradictions of contemporary cognitive capitalism: the irreconcilability of an unequal revenue distribution with the necessity of widening the financial base to continue to develop the process of accumulation. This contradictory node is nothing other than the coming to light of an irreducibility (an excess) of life of a large part of social components (be they singular fragments or definable as class segments) to capitalist subsumption. An excess that today is expressed in a multiplicity of behaviours (from forms of infidelity to company hierarchies, to the presence of communities that oppose territorial governance, from individual and group exodus from the dictates of life imposed by the dominant social conventions, all the way to the development of self-organisational forms in the work world and open revolt against the old and new forms of exploitation in the slums and the megapolis of the global South, in Western metropolises and in the most recently industrialised areas of South-East Asia and South America).

This is an excess that declares in unison, from the four corners of the globe, that it will not pay for this crisis. The irremediable instability of contemporary capitalism is also a result of this excess.

## **THESIS 5. THE FINANCIAL CRISIS IS A CRISIS OF UNILATERALISM AND A MOMENT OF GEOPOLITICAL RE-EQUILIBRIUM**

The current crisis puts the financial hegemony of the United States and the centrality of Anglo-Saxon stock markets in the process of financialisation into question. The exit from this crisis will necessarily mark a shift in the financial barycenter towards the East and, partially, South (i.e. South America). Already on the level of productivity and control of commercial exchanges, which is to say on a real level, the processes of globalisation have always highlighted a shift of the productive centre towards the Orient and the global South. From this point of view, the current financial crisis puts and end to a sort of anomaly that had characterised the first phase of the diffusion of cognitive capitalism: the movement of technological centrality and cognitive labour to India and China while maintaining financial hegemony in the West. As long as the development of Eastern countries (China and India), Brazil and South America was pulled along by the processes of externalisation and delocalisation set by the large Western corporations, it was not possible to identify a spatial dystonia between cognitive capitalism's two main variables of command: the control of currency-finance on the one hand, and the control of technology on the other hand. At the end of the '90s the newly industrialised countries began to put the Western and Japanese technological leadership into crisis, through the passage from a productive model based on imitative capacity and knowledge distribution to a productive model able to favour processes of generation, appropriation and amassing of knowledges, already starting with the formation of 'human capital'. The 1997 financial crisis, that, beginning with the devaluation of the Thai bat, particularly hit the Asian and South American stocks (other than the Asian countries of the ex-USSR), enabled Anglo-Saxon financial markets to reassert their supremacy on a global scale, but in any case didn't impede the shift of techno-productive leadership Eastwards. So a first contradiction within the global geoeconomic equilibrium came to pass: Western supremacy in finance, Eastern supremacy in the 'real' economy and in international exchange. This is an unstable equilibrium that, for the first five years of the new millennium was stalled de facto by the permanent war in Afghanistan and Iraq, and that is essentially at the base of the failure of the various international commerce summits--from Doha (in November 2001) to Cancun (in September 2003) up to Hong-Kong (in December 2005).

Nevertheless, the growing American debt (both domestic and international) and the necessity of widening the extension of financial markets with further relations of debt and credit increasingly at risk made it so that this equilibrium, already unstable, couldn't last long. The current financial crisis put an end to this spatial dystonia. Technological and financial supremacy are tending to rejoin one another on a geoeconomic level. As a result, cognitive capitalism as a paradigm of bio-economic accumulation is becoming hegemonic even in China, India and in the global South. Let it be clearly stated, however, that the sometimes radical differences between different spaces and times through which capitalistic processes of valorisation, and through which the composition of work commanded and exploited by capital is continually re-articulated, have ceased to operate. Nor it is possible to forge a series of skeleton-key concepts, indistinctly applicable to Nairobi,

New York and Shanghai. The point is rather that the very sense of the radical differences between places, regions and continents must be re-compressed within the heterogeneous interlacing of the productive systems, temporalities and subjective labour experiences that constitute cognitive capitalism.

## **THESIS 6. THE FINANCIAL CRISIS DEMONSTRATES THE DIFFICULTIES OF THE CONSTRUCTION PROCESS OF THE ECONOMIC EUROPEAN UNION**

One of the goals of the construction of the monetary European Union was the protection of the Euro area countries from the speculative turbulence of currency markets with the objective of building a strong currency able to form a shield against possible financial crises. In effect, during the 1996-97 and 2000 crisis, the presence of the Euro impeded international speculation from uniting in an anti-European function. However, such argumentation fell when the financial crisis, starting from the heart of American hegemony, brought not only the main Western investment companies to their knees but also began to have effects on the 'real' economy as well.

The answer of half the world's monetary authorities and the main governments hit by the crisis was to supply the most liquidity possible to plug the holes opened in the credit and real-estate sectors. However, such interventions--that have mobilised huge quantities of public money--were done in a random order in the European context, with the level of coordination nearly exclusively technical and never political. The result is that every European state, in concrete terms, moved autonomously and with differentiated modalities. In reality, they pay for having exclusively focused on the monetary union without worrying about creating the premises for a European fiscal policy with a budget independent from the influence of the single member States. Today the tools for a coordinated fiscal intervention able to attribute a real counterattack to the financial crisis are missing. This is an ulterior symptom of the failure to economically and socially (not to mention politically) construct Europe.

## **THESIS 7. THE FINANCIAL CRISIS MARKS THE CRISIS OF NEOLIBERAL THEORY**

The current financial crisis shows how the capitalistic system is structurally unstable and how the free market theory is not able to affront such instability. In the dominant vulgate of neoliberal thought, the free functioning of the market should guarantee not only an efficient accumulation process but also a correct and balanced distribution of income, according to each individual's contribution and commitment. The existence of social differentiation is the ex-post result of the economic agents' choices based on freely expressed preferences.

Such orientation is based on two assumed principles. The first regards the idea that economic process is exclusively exercised in the activity of exchange (allocation), where the consumer (economic demand) determines the offer, all in a context where production capacity, being founded on natural and not artificial resources, is by definition limited and therefore subject to scarcity. The supremacy of the allocative process over production implies that the market becomes the place where economic activity is exclusively determined, thanks to the principle of consumer

sovereignty. This principle is linearly translated into 'individual sovereignty', according to which every individual is the sole judge of himself/herself (the principle of free will) and social variations must be founded solely on the evaluations expressed by single individuals (the supremacy of individualism). Consumer sovereignty, however, reduces individual sovereignty to the act of consumption. This famous free will is thus exclusively articulated in free consumption, but which is not absolute liberty anyway, being confined by an individual's particular spending capability and on market availability. Consequently those that don't have monetary resources that allow them to create demand for good or services in the market, like, for example, many migrants, then don't exist from an economic point of view. What actually counts is not demand--understood as a whole of goods and services that each individual desires to have to satisfy their needs--but rather solvent demand, expressed with cash in hand. Desires that can't be satisfied in markets because of a lack of money, don't exist de facto. Since the sums available for consumption (which are limited by income) depend, for most human beings, on labour wages, one could conclude (although it is denied) that working conditions determine the effective degree of individual liberty.

The second point, closely tied to the first, affirms the preeminence of property individualism as the result of the crisis of industrial-Fordist capitalism and of its transformation into bioeconomic capitalism. Every economic agent is considered the sole actor responsible for the choices of consumption and investment. On the financial side, this is translated into a reduction of national debt into individual debt; on a political and economic level this theoretical approach serves to sustain the banishment of conjectural finance and a legitimation of private consumption based on individual debt. Starting from the ascertainment that the capitalistic system is, as economic accumulation, always a monetary economy that is based on debt, and after the 1929 economic crisis the state has assumed the role of last resort loaner, taking on the responsibility to manage public debt (the Keynesian policies of deficit-spending). Instead, the passage from Fordism to cognitive capitalism, in the name of property individualism, marked the transformation from public debt to individual debt through the financial 'privatisation' of the social rights won after the World War II.

The neoliberal ideological crisis rests in the failure of the free market as an efficient mechanism of resource production and allocation and in the role of financial markets as mechanisms of income redistribution. In the first case, we have witnessed a process of financial and technological concentration like never before in the history of capitalism, with all due respect to free competition. In the second case, the redistributive governance of the financial markets has revealed itself to be a complete failure.

## **THESIS 8. THE FINANCIAL CRISIS HIGHLIGHTS TWO INTERNAL CONTRADICTIONARY PRINCIPLES OF COGNITIVE CAPITALISM: THE INSUFFICIENCY OF THE TRADITIONAL FORMS OF LABOUR REMUNERATION AND THE VILENESS OF THE PROPRIETARY STRUCTURE**

In the framework of the structural instability of present-day cognitive capitalism, translated in the current financial crisis, it becomes necessary to rethink the definition of the redistributive variables in a way that they can refer to value production in contemporary cognitive capitalism.

As far as the sphere of labour is concerned, it is necessary to acknowledge that in cognitive capitalism labour remuneration should be translated into life remuneration: consequently, the conflict in fieri that is opened is not merely a constantly necessary struggle for high wages (to put it in Keynesian terms), but rather the struggle for a continuity of income regardless of the labour activity certified by any type of contract. After the crisis of the Fordist-Taylorist paradigm, the division between life and labour time is not easily distinguishable. The most exploited people in the work world are those whose whole lives are put to work. This happens, in the first place, through the lengthening of work hours in the service sector and, above all, in the migrant workforce: a large part of the labour time spent in the third sector activities doesn't actually happen on the job. Wages are the remuneration of certified labour acknowledged as productive, while individual income is the sum of all the returns that are derived from living and relationships in a territory (work, family, subsidies, possible rent, etc.) that determine the standard of living. As long as the separation between work and life exists, a conceptual separation will exist between wages and individual income, but when life-time is put to work it tends to blur the difference between income and wage.

Thus it isn't about opposing wage struggles and income struggles, resigning the former to sectorial resistance and the latter to a simply ideological preposition. The political node is rather rethinking a virtuous combination, starting from the productive transformations and from the subjective materiality of labour's new composition.

De facto, the tendential overlapping between work and life and consequently between wages and income is not yet considered within the limits of institutional regulation. From different points of view, it is sustained that basic income can represent an element of institutional regulation suitable for the new tendencies of capitalism. What interests us most, however, is not slipping toward a theory of social justice, or complaining about the missing acknowledgment of productive rationality or, least of all, about the absence of regulatory devices that allow capitalism to overcome its own crisis. Income is, first and foremost, the identification of a battleground within the changes of contemporary capitalism, which is to say, an element for a political program inside the constitutive processes of antagonist subjectivity. From this point of view, basic income can be seen as a directly distributive, and not redistributive, variable.

As far as the sphere of production is concerned, a second aspect to take into consideration is the role played by intellectual property rights. They represent one of the tools that allow capital to appropriate social cooperation as well as general intellect. Since knowledge is a common good, produced by social cooperation, the surplus value that springs from its use in terms of innovative activity and increases in labour productivity is not simply the fruit of an investment in a physical or individual capital stock (which is to say ascribed to a capitalist defined as a single entity, be it a person or business organisation) but rather depends on the use of social patrimony (or 'social human capital' as some economists say) that is sedimented over the territory and that is independent from the initiative of single entrepreneurs. The rate of profit that springs forth is therefore not the simple ratio between the investment level and stock capital that defines the value of a business, but rather 'something' that the business, with the existent 'social' capital, depends on. In other words, as long as profit is born in measures increasingly consistent from the exploitation

and expropriation of a common good like knowledge for private purposes, it can be partially assimilated to a rent: a rent from the territory and from learning, which is to say a rent that comes from the exercising of intellectual property rights and knowledge ownership.

Now, to paraphrase Keynes in the last chapter of his *General Theory*, one could maintain that, 'The owner of knowledge can obtain profit because knowledge is scarce, just as the owner of land can obtain rent because land is scarce. But whilst there may be intrinsic reasons for the scarcity of land, there are no intrinsic reasons for the scarcity of knowledge'.<sup>1</sup>

Even so, over the last few years various liberal theoreticians have maintained the necessity of reducing or even eliminating copyright licensing that, in the long run, risks blocking innovative process. Cognitive capitalism should become, they say, a sort of 'propertyless capitalism', a model that is supposedly prefigured by the web 2.0 and exemplified by the clash between Google and Microsoft. Where capital toils to organise social cooperation a priori, it is forced to chase it and capture it afterwards: accumulation and surplus value consequently pass primarily through a process of financialisation. This is what circles close to financial capitalism have defined as 'the communism of capital'.<sup>2</sup> Still, admitting that it can do without property, capitalism certainly cannot give up control, even if this means continually blocking the potential of cognitive labour. Here the classic contradiction between productive forces and production relations is re-qualified in completely new terms.

The mingling of profit and rent is derived from the fact that, in cognitive capitalism, the process of accumulation has extended the very base of accumulation, co-opting the activities of human pursuits that did not produce surplus value in industrial Fordist capitalism, nor were they translated into abstract labour.

From this point of view, the political economic indications proposed by Keynes right after the paradigmatic 1929 crisis could be rewritten taking into account the new elements inborn to cognitive capitalism.

The measure of a basic income substitutes the political policy of high wages, while the euthanasia of Keynes' rentier could be articulated in the euthanasia of the positions of rent derived from intellectual property rights (or cognitive rentier), accompanied by fiscal politics able to redefine the assessable base while keeping in mind the role played by spatial valorisation, knowledge and financial flows. This doesn't paint an ideal picture, but at least defines an area of tension in which to rethink the forms of conflict and the possible conditions to organise new institutions of the common.

Regarding Keynes' proposal to socialise investments, cognitive capitalism is characterised by a socialisation of production facing an ever higher concentration of technological and financial flows: in other words, levers that today allow the control and command of a flexible and out-sourced production. Any political program that intersects such concentration, which is at the base of investment flows, therefore directly affects the proprietary structure and undermines the very capitalistic relation of production at its roots.

The possible 'reformist' proposals that could define a social pact in cognitive capitalism are therefore limited to the introduction of a new wage regulation based on basic income and on a reduced intellectual property right weight, which could possibly lead to the euthanasia of intellectual property rent.

## **THESIS 9. THE CURRENT FINANCIAL CRISIS CANNOT BE RESOLVED WITH REFORMIST POLITICS THAT DEFINE A RENOVATED NEW DEAL**

In the current situation there are no economic or political premises sufficient for a new social pact (or New Deal). It is therefore a mere illusion.

The Fordist New Deal was the result of an institutional assemblage (Big Government) that was based on the existence of three assumptions: 1) a nation state able to develop national economic policies independently, even if coordinated, from other states; 2) the possibility of measuring productivity earnings and therefore to see to their redistribution between profits and wages; 3) industrial relations between social components that were reciprocally recognised and were legitimised on an institutional level, able to sufficiently and unequivocally represent (not excluding margins of arbitrariness) entrepreneurial interests and those of the working class.

None of these three assumptions are present in today's cognitive capitalism.

The existence of the nation-state is put into crisis by the processes of productive internationalisation and financial globalisation, that represent, in their declinations in terms of the technological control of knowledge, information and war apparatuses, the bases for the definition of supranational imperial power.

In cognitive capitalism it is at least possible to imagine--as a reference unit for the economic and social policy--a supranational geographic spatial entity (and not by chance the countries that are protagonists on a global level today, like the United States, Brazil, India and China, are continental spaces quite different from the classic European nation-state). The European community could represent, from this point of view, a new definition of a public socioeconomic space where to implement a New Deal. However, in the current condition, European construction proceeds along fiscal and monetary political lines that represent the negation of the possibility of creating a public space and an autonomous and independent space, not conditioned by the dynamics of the financial markets (cf. Thesis n. 6).

The dynamics of production tend to depend on immaterial production and the involvement of cognitive human faculty, difficult to measure with traditional criteria. The current difficulty of measuring social productivity doesn't allow for a wage regulation based on the relation between wages and productivity.

The proposal of basic income meets opposition and diffidence from various figures. Entrepreneurs consider it, in the first place, a subversive proposal to the extent that it is able to reduce the blackmail of need and dependence on labour coercion. In second place, if basic income is correct-

ly understood as direct remuneration of precedent productive activity (as it should be), without being subject to any condition whatsoever, it risks not being controlled by the hierarchical structure even though being financed through the general taxation system. Instead, a reform proposal of social security cushions would be differently accepted from a hierarchical point of view, even if geared toward expansion (hopefully including 'precarious' workers too, in accordance with flexsecurity). They would in fact be a 'redistributive' measure and not directly distributive (like a basic income would be); in other words, social security cushions transfer rent once a direct distribution of rent is sanctioned and therefore extensively reforming them wouldn't put a dent in the remunerative dynamics of labour. In the second place, being subject to restrictions and exact allocative conditions, social security cushions not only become an element of differentiation and segmentation of the workforce, but are also wholly congruent with social policy with a 'workfare' orientation. Instead, for labour unions, basic income contradicts the work ethic that they continue to base their existence on.

Lastly, but no less importantly, we are witnessing a crisis of the forms of social representation both in the entrepreneurial area as well as in that of labour unions. Lacking a single organisational model induces the fragmentation both of capital and labour. The first is split between the interests of small businesses, often tied to relations of hierarchical sub-supply, the interests of large multinational corporations and the speculative activities of currency and financial markets, the appropriation of profit and rent from monopolies in distribution, transportation, energy, military contracts and research and development. In particular, the contradiction between industrial capital, commercial capital and financial capital in terms of strategies and diversified temporal horizons, and that between national capital and supranational capital in terms of geoeconomic and geopolitical influence, makes a level of the capitalistic class' homogeneity of intent and the definition of shared goals very problematic. The element that most joins capital's interests is the pursuit of short-term profits (that have origins in different ways), and this makes the formulation of progressive political reforms practically impossible, unlike the era of Fordist capitalism.

Conversely, the work world seems evermore fragmented not only from a juridical point of view but above all from a 'qualitative' point of view. The figure of the salaried industrial worker is emergent in many parts of the globe but is in decline in Western countries, favouring a variegated multitude of atypical precarious, migrant, para-subordinate and autonomous figures, whose organisational and representational capacity is increasingly limited by the prevalence of individual negotiation and the incapacity of the union structures formed during Fordism to adapt.

The overall result is that in cognitive capitalism there isn't space for an institutional political reform able to reduce the instability that characterises it. No innovative New Deal is possible, if not one that is pushed by social movements and by the practices of autonomous institutional-ity through the re-appropriation of a welfare system ravaged by private interests and frozen in public policy. Some of the measures that we have identified, from wage regulation based on the proposal of a basic income to production based on the free circulation of knowledges, are not necessarily incompatible with the systems of accumulation and subsumption of capital, as various neoliberal theoreticians have suggested.<sup>3</sup> In any case, new campaigns of social conflict and re-appropriation of common wealth can be started and through which to undermine the very base of the capitalistic productive system, that is the coercion of labour, income as a tool of blackmail

and domination of one class over another and the principle of private property of the means of production (yesterday the machines, today knowledge too).

In other words, we can assert that in cognitive capitalism a possible social compromise of Keynesian origin but adapted to the characteristic of the new process of accumulation is only a theoretical illusion, and it is unfeasible from a political point of view. A fully-fledged reformist policy (which tends to identify a form of mediation between capital and labour that is satisfactory for both), able to guarantee a stable structural paradigm of cognitive capitalism, cannot be delineated today. So, we are in a historic context in which social dynamics don't allow space for the development of reformist practices and, above all, reformist 'theories'. What follows is that, since it is praxis that guides theory, only conflict and the capacity to create multitudinary movements can permit--as always--the social progress of humanity.

Only the revival of strong social conflict on a supranational level can create the conditions to overcome the current state of crisis. We are facing an apparent paradox: to make new reformist perspectives and the relative stability of the capitalistic system possible, it is necessary a joint action of the revolutionary sort, able to modify the axes on which the very structure of capitalist command is based.

We must then start to imagine a post-capitalist society, or better yet, re-elaborate the battle for welfare in the crisis as an immediate organisation of the institutions of the common. This doesn't definitively eliminate the functions of political mediation but does definitively takes them away from representative structures and absorbs them in the constituent power of autonomous practices.

## **THESIS 10. THE CURRENT FINANCIAL CRISIS OPENS NEW SCENARIOS OF SOCIAL CONFLICT**

Socialism has traditionally offered itself to save capitalism from its cyclical crises, dialectically overcoming endemic instability through a superior rationality of development. In other terms, taking on the responsibility to actuate the promises of progress that capitalism has not structurally been able to maintain. Today, the era in which socialism and capitalism have mirrored one another in an assumed objectivity in the hierarchy of labour, technology and production, is happily over.

Once again, only our behaviours can smash the unjust social system that we are forced to live in and develop the material basis for equal life chances and freedom. The situation of economic crisis is palpable. Once again, it is the level of resistance that continually puts the forms of command under stress. There are those who, not able to pay the mortgage, after an initial moment of panic realise that they have at least three years before being evicted, and think. There are those who never believed in the chimera of the stock market and decided to not deposit their severance pay in investment funds, despite the massive media and labour union campaigns that promised lavish earnings in the financial markets.

Such behaviours--together with many others that expressed resistance and insubordination--acquire a particular importance because they represent cracks in the impalpable social control that the rhetoric of proprietary individualism was able to build with the help of a pseudo-imaginary social cohesion, founded on merit and loyalty behaviours.

An important signal was sent in Italy by the 'Anomalous Wave' movement.<sup>4</sup> The fact that this movement made a breakthrough regarding the themes of income and welfare of the common is hugely important. It wasn't limited to a mere theoretical elaboration or an avant-garde political position: the problem of income became common sense in the emergency of social composition molded by conflicts over knowledge production and against class de-classification and precariousness. In this way it was de-ideologised, identifying itself in concrete goals (for example the demand for money, or wages, for the free labour provided to support the corporatisation of the university, from internships to vocational training programs, to didactic responsibilities held by precarious researchers). In the Anomalous Wave, the topic of income has therefore become a political program within the crisis, giving concrete meaning to the slogan 'we will not pay for the crisis'.

The critique of knowledge as a commercial product, the acknowledgment that the difference between the moment of education and the moment of production tends to blur (which is where the need to remunerate educational periods comes from), the demand to access material and immaterial services that constitute the environment of social cooperation and general intellect, the production of the common as a new narrative, a new horizon of social relations and cooperation, finally goes beyond the 'public-private' dichotomy: these are, in synthesis, a few programmatic elements that are extremely useful in delineating a political process able to overturn the systemic crisis into a space of possibility for action and proposal.

If we simply look at the European panorama, there are numerous insurgent signals that in the last few months have sprung up: other than the Greek revolt and the social movements that swept across the educational sector in Spain, France and Germany, we can also point to the conflictual tensions that, dealing with different social strata, were manifested in Copenhagen, Malmö, Riga and in other European metropolises. We are dealing with overturning the 'communism of capital' into the 'communism of general intellect', as a living force of contemporary society, able to develop a structure of commonfare and establish itself as an effective and real condition of human choice for freedom and equality. Between the 'communism of capital' and the institutions of the common there is no speculation or linear relation of necessity: it is, in other terms, about collectively re-appropriating produced social wealth and destroying the devices of subsumption and capitalistic command in the permanent crisis. In such a process, the autonomous role played by social movements is increasingly important, not only as a political program and action but also, and above all, as a reference point for those subjectivities, singularities or segments of class that are hit hardest and defrauded by the crisis.

The capacity of the real subsumption of life into work and production processes, the diffusion of pervasive cultural and symbolic imagery from elements of individualism (beginning with 'proprietary' individualism) and 'security' measures construct the main hinges of the process of social and cognitive control of worker and proletariat behaviour. The achievement and the organisation

of an autonomous subjectivity, that already lives in the practices of resistance and production of a new class composition, are necessary conditions for triggering conflictual processes that are able to modify the current socioeconomic hierarchies. From this point of view, all of the excesses and the insurgencies that nomadic subjectivities are capable of achieving and animating are welcome. It is only in this way, like a thousand drops that meet to form a river or a thousand bees that form a swarm, does it become possible to put into motion forms of re-appropriation of wealth and knowledges, inverting the redistributive dynamics, forcing those who caused the crisis to pay for it, rethinking a new structure of social and common welfare, imagining new possibilities of self-organisation and production compatible with the respect of the environment and of the dignity of the men and women who inhabit this planet.

The king has no clothes. The path before us is arduous but, really, we have already begun to walk down it.

## NOTES

\* The present text is the fruit of a collective discussion that began with the seminar on the financial crisis organised by UniNomade in Bologna on the 12th and 13th of September 2008 and that still continues today. Marco Bascetta, Federico Chicchi, Andrea Fumagalli, Stefano Lucarelli, Christian Marazzi, Sandro Mezzadra, Cristina Morini, Antonio Negri, Gigi Roggero, Carlo Vercellone all participated while Andrea Fumagalli drafted the text.

Translated by Jason Francis Mc Gimsey and revised by Sabrina Del Pico.

<sup>1</sup> Here we have taken the citation of Keynes from the last chapter of *General Theory*, 'The owner of capital can obtain interest because capital is scarce, just as the owner of land can obtain rent because land is scarce. But whilst there may be intrinsic reasons for the

scarcity of land, there are no intrinsic reasons for the scarcity of capital' and we have substituted the term 'capital' with the term 'knowledge' and the term 'interest' with 'profit'.

<sup>2</sup> On the discussion surrounding the different interpretations of the formula 'Communism of capital', see Marazzi, *Socialismo*, 155-168.

<sup>3</sup> Here we are referring to the debate about the interpretation of basic income as a temporary, mean-tested and conditioned tool to fight poverty. On one side, there are 'pure' liberalists such as Milton Friedman who were in favour of a negative income tax hypothesis and the reduction of state intervention (see Friedman, *Capitalism*). On the other, there are so-called liberals (or social-reformists in Europe), like J.E. Meade (see

Meade, *Agathopia*), or Tony Atkinson (see Atkinson, *Incomes*).

<sup>4</sup> The Anomalous Wave, or 'Onda anomala' in Italian, was a student movement that broke out in the fall of 2008 after a massive funding cut and organisational reform that threatens to privatise public universities. For resources in English see, <http://edufactory.org> [translator's note].

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